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ABSTRACT

The Project on Devolution and Urban Change studied the effects of welfare reform in the counties encompassing the following cities: Cleveland, Ohio; Los Angeles, California; Miami, Florida; and Philadelphia, Pennsylvania. In May 1995, the 3,900 women in the sample were receiving public assistance and living in high-poverty neighborhoods. After 3-4 years, the women were interviewed about their recent employment experiences.

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Three-fourths of the women had worked in the past 2 years, and about half were working at the time of the interview. Although many of the current and former welfare recipients achieved high employment stability, most were in jobs with low earnings, and most could not lift their families out of poverty without other sources of income. Only half the women had health insurance, and most of the women and their families faced multiple material hardships, including food insecurity, housing problems, and unmet health care needs. Nearly all those who worked faced barriers to employment. The data provided evidence that government policies aimed at addressing the needs of the working poor have fallen short of their goals. (Nineteen tables/figures/boxes are included. Key measures by site are appended along with information on employment status and stability in the urban change survey sample. The bibliography contains 44 references.) (MN)

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ED 461 760

**The Project on Devolution and Urban Change**

# Is Work Enough?

## The Experiences of Current and Former Welfare Mothers Who Work

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# Overview

Since 1996, when Congress passed the Personal Responsibility and Work Opportunity Reconciliation Act — the "welfare reform" law — welfare caseloads have dropped sharply, and the number of single mothers who work has grown dramatically. But how have poor mothers fared, now that they are playing by the new welfare rules and working?

This report describes the experiences of women from poor urban neighborhoods who once relied on public assistance and entered the labor market. It presents findings from the Project on Devolution and Urban Change, a study of the implementation and effects of welfare reform in the counties encompassing four big cities: Cleveland, Los Angeles, Miami, and Philadelphia. This report draws on representative survey data and in-depth ethnographic interviews from each of those sites to compare the work experiences and life circumstances of four groups of women defined by employment status and history.

In May 1995, the 3,900 survey respondents were receiving public assistance and living in high-poverty neighborhoods. Three to four years later, they were interviewed about their recent employment experiences: Three-quarters had worked in the past two years, and about half were working at the time of the interview. Respondents' stories from the ethnographic interviews are interwoven throughout the report to complement and augment the survey findings.

**Key Findings**

- The majority of women who were working at the time of their interview had worked in most of the prior 24 months. Full-time employment was the norm, whether that employment was stable or not.
- Even among women who had been working most stably, the majority had low-wage jobs with earnings that put their families below the official poverty level.
- Among the employed women, about two out of five held jobs that provided no fringe benefits. Even among those who had worked most stably, only about half had jobs that offered health insurance.
- In most cases, the mothers' earnings were the primary source of household income. Most women and their families faced multiple material hardships, such as food insecurity, housing problems, and unmet health care needs.
- Nearly all the women who worked faced barriers or "challenges" to employment, such as their own or a child's health problems, less than high school education, or depression. The women who worked most stably faced fewer such obstacles.
- Public safety net programs (food stamps, Medicaid, housing assistance, child care subsidies) were not used by the majority of the women, despite their apparent eligibility for them.

Though the strong economic growth of the late 1990s would be expected to improve employment prospects generally, it is still noteworthy that so many current and former welfare recipients achieved high employment stability. Yet most were in jobs with low earnings and could not lift their families out of poverty without other sources of income. By documenting the pervasiveness of material hardship and poverty among women in this group (even among those working full time) and the fact that the public supports available to them often go unused, this study suggests that government policies aimed at addressing the needs of the working poor have fallen short of their goals.

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# Preface

In August 1996, the passage of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) dramatically changed welfare policies affecting poor women with children. Two key features of this act — the requirement to work or to participate in employment-related activities and the five-year lifetime limit on federally funded cash benefits for most recipients — clearly emphasize work as the pathway to self-sufficiency. In the economic climate of the 1980s and early 1990s, however, wages were declining for less-skilled workers across the United States. This report illuminates the issues critical to understanding welfare reform by depicting the experiences of current and former welfare recipients in the workforce.

Part of the Project on Devolution and Urban Change, the report combines extensive survey data and detailed ethnographic narratives to capture the experiences of women from poor urban neighborhoods who had once relied on public assistance and who were working in the late 1990s. This study indicates that the majority of women who were employed at the time of their survey interview worked during most of the prior two years and that full-time employment was the norm. Yet the report also reveals that the majority of women in the survey (even those who had high employment stability) were working in low-wage jobs, with earnings that put their families below the federal poverty line, and that most of their jobs provided no fringe benefits. The lack of employer-provided health insurance was especially worrisome for these mothers, the majority of whom — despite their apparent eligibility — were not using such public safety net programs as food stamps, Medicaid, housing assistance, and child care subsidies.

Also during the late 1990s, the federal government enacted or strengthened policies to assist low-income workers, by increasing the minimum wage; severing the link between cash assistance and Medicaid (so that very low-wage working parents are eligible for health benefits); inaugurating the Children's Health Insurance Program (CHIP) to cover the health care costs of children in low-income families; increasing child care funding; and expanding the Earned Income Tax Credit (EITC) program, whereby low-income workers are eligible for a refundable credit that is designed to offset the burden of payroll taxes. But are these policies enough? And are they being implemented as envisioned? This report suggests that much remains to be done in the effort to reduce poverty and material hardship and to "make work pay."

As policymakers debate the reauthorization of key provisions of PRWORA, we hope that the information in this report will help them understand the life circumstances and challenges that low-income parents face in trying to support their families.

Judith M. Gueron
President

## Acknowledgments

Our first debt is to the women who participated in this study. We thank them for sharing their time and experiences, without which we could not have produced this report.

Also indispensable was the generous support of a committed group of funders, listed at the front of the report. Our efforts benefited from the thoughtful comments of Elizabeth Lower-Basch of the U.S. Department of Health and Human Services and Laura Tiehen of the U.S. Department of Agriculture.

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The local ethnographic teams conducted the interviews and provided the data that made it possible to better understand the successes and struggles of the women in the study. As team leaders ourselves in some of the sites, we are deeply grateful to the Miami team leaders, Alex Stepick and Carol Stepick, and others who conducted interviews and produced case studies for use in this report: Gretchen Baumhover, Susan Clampet-Lunquist, Elizabeth Gonzalez, Tashieka Hinson-Coleman, Vicki Hunter, Rebecca Joyce Kissane, Joan Mazelis, Karen Quintiliani, and Isa Soler.

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At MDRC, Barbara Goldman provided support, guidance, and helpful comments throughout the development of the report. Judith Gueron, Gordon Berlin, Dan Bloom, and Charles Michalopoulos reviewed preliminary drafts and provided valuable feedback and comments. We are also grateful for the insights of other members of the Urban Change team: Joanna Hunter managed the survey processing; Jacinto Mendoza and Herbert Collado processed and analyzed much of the survey data presented in this report; Vivian Mateo-Golden, with assistance from Lauren Cates and Melissa Velez, provided research assistance and ably coordinated the production process. Robert Weber edited the report, and Stephanie Cowell prepared the document for publication.

The Authors

# Executive Summary

## I. Introduction

This report from the Project on Devolution and Urban Change (Urban Change, for short) describes in rich detail the experiences of women from poor urban neighborhoods who have relied on public assistance and were working in the late 1990s. Their employment illustrates that many poor women are playing by the new welfare rules, which emphasize that public assistance is temporary. This report examines how such working women have fared. It shows that, although these women typically face numerous challenges to employment, most have worked in full-time jobs. Many women were able to maintain fairly stable employment, others held a series of short-term jobs, and still others held only a couple of jobs interspersed in long spells of unemployment. While the employment and life experiences of these women were quite varied, their economic circumstances were broadly similar: Few were able to lift their families out of poverty, and most endured material hardships. While some were accessing public safety net services to support their work effort, most were not. Here is one of the many stories described in this report:

> *Anna, age 39, immigrated from Cuba to Miami when she was 20. Separated from her husband, she was living with her two teenage children and worked 60 hours per week: 35 hours as a cook in a restaurant (where she had been working for three years) and 25 hours in a retail sales job (which she had held for eight months). Anna's take-home pay from her restaurant job, which offered paid vacation and health insurance but no sick pay, was $190 per week; her second job added about $100 weekly. Her total annual earnings to support herself and her two kids were about $15,000. She had left cash welfare and no longer got food stamps, although she appeared to be eligible. She got no housing assistance, either, and spent about 50 percent of her earnings on housing. Anna's two children did not have health insurance.*

Anna could be described as a success story because she had been steadily employed for several years and had health insurance. Despite her apparent commitment to employment, however, Anna and her family were living below 185 percent of the federal poverty level, which is considered near-poor. Few women in this study had achieved Anna's level of "success."

## II. The Policy Context

The plight of Anna and other working women who are poor or near-poor is of special interest in the current policy environment. The passage in August 1996 of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) brought about dramatic changes in welfare policies affecting poor women with children. One of the key features of this act is that it places a five-year lifetime limit on federally funded cash benefits for the majority of recipient families. Thus, after their time limit is reached, women who leave welfare for employment may not be able to rely on welfare as a safety net program if they become unemployed.

During the late 1990s, the federal government also introduced or strengthened policies aimed at assisting low-income workers. The main policy changes include an increase in the

minimum wage; the severing of the link between cash assistance and Medicaid (which enables very low-wage working parents to remain eligible for health benefits); the inauguration of the Children's Health Insurance Program (CHIP), which provides funding to states to cover health care costs for children in low-income families; increases in child care funding; and the expansion of the Earned Income Tax Credit (EITC) program, a refundable credit originally designed to offset the burden of payroll taxes for low-income workers. But are these policies enough? And are they being implemented as envisioned? Recent evidence about declines in food stamp participation and increases in the rates of the uninsured suggest that public policy may need to develop or strengthen solutions to the problems faced by the working poor.

The rapidly changing landscape of social policy has created a strong interest in the lives and experiences of welfare recipients who are entering the labor force. In addition, nearly all states and many localities have launched studies to assess how recent welfare "leavers" (some of whom went to work) have been doing. The Urban Change project is one of several studies that are assessing the well-being of both welfare leavers and those who have remained on welfare. Using data from the Urban Change project, the present report contributes to the growing literature on the working poor by offering a rich and in-depth description of women from poor urban neighborhoods who have been welfare recipients and have found paid employment.

## III. The Urban Change Project

This report is based on data from the Urban Change project, which is being undertaken by the Manpower Demonstration Research Corporation (MDRC), a nonprofit, nonpartisan organization that develops and evaluates interventions designed to improve the well-being and self-sufficiency of economically disadvantaged populations. The Urban Change project, funded by a consortium of organizations listed in the front of the report, is a multicomponent study designed to examine the implementation and effects of PRWORA. The study is being conducted in four large urban counties: Cuyahoga (Cleveland), Los Angeles, Miami-Dade, and Philadelphia. It is important to note that the present report does not provide information about the impacts of welfare reform but, rather, is a portrait of the work experiences of some of the women potentially affected by reform. Subsequent Urban Change reports will address the issue of the impacts of welfare reform in these four counties.

Information for the present report came from two sources: (1) in-home survey interviews with 2,860 women who had worked in the two-year period prior to the interview;[1] and (2) in-depth ethnographic interviews with a subset of 20 of the roughly 160 ethnographic cases across sites. The survey interviews were conducted in 1998-1999 with a sample of women who, in May 1995, had been single mothers receiving benefits and living in neighborhoods of concentrated poverty; this sample was randomly selected from welfare agency records. (Anna, profiled earlier, was a survey respondent.) These survey data were collected before time limits were imposed on any recipients. With regard to the ethnographic data, three rounds of interviews were conducted from 1998 through 2000 with a sample of 30 to 40 recipients living in high-poverty neighborhoods in each city. Twenty-one cases that typified patterns found among those women who worked after the initial interview were selected for scrutiny.

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[1]Surveys were completed with 3,933 women who provided work histories. Women who had not worked in the two years before the interview, making up 27 percent of the survey sample, are not described in this report.

In addition to providing an overall description of the work experiences and life circumstances of these poor urban mothers, this report offers valuable insights into how those experiences varied for four groups of women defined on the basis of employment history: (1) currently employed women who had worked in 19 or more of the 24 months before the interview (high employment stability); (2) currently employed women who had worked in 7 to 18 of the prior 24 months (moderate employment stability); (3) currently employed women who had worked in 6 or fewer of the prior 24 months (low employment stability); and (4) women who had worked in the two prior years but who were no longer working. (Two-thirds of the women who had worked in the two previous years were working at the time of the survey.) This report, then, provides rich portraits of women whose work trajectories place them at different levels and types of risk in the new welfare environment.

## IV. Overview of the Findings

- **The majority of currently employed women in the survey had fairly strong employment stability, having worked in most of the prior 24 months.** There was a fair amount of employment stability among women in the survey: About 55 percent of the women who were working had worked in 19 or more of the prior 24 months. Only 15 percent of currently employed women were in the low employment stability group. Most women had held only one job in the two-year period, but a noteworthy minority (predominantly those with moderate employment stability) had had several short-term jobs. Although job stability is generally considered desirable, the ethnographic data show that some women were unable to leave an inadequate job because they had no time to seek a better one and did not want to risk having a period without employment.

- **Full-time employment was the norm, regardless of employment stability.** The median number of hours worked was over 35 hours per week in all groups of currently employed women. Almost 7 percent of the women were working 50 or more hours in one job; some were holding two jobs. The ethnographic data make clear the burdens of low-wage single mothers who maintain a heavy work schedule while still caring for children at home.

- **The majority of women were working in low-wage jobs, with earnings that would typically put them below the official poverty level.** The median hourly wage for currently employed women in the survey was $7.00, ranging from $7.50 for those in the high employment stability group to $6.35 for those in the low employment stability group. Among all women who were working, 65 percent had earnings that, if they had no other income source, would place their families below the official poverty line.

- **About two out of five currently employed women in the survey were in jobs without any fringe benefits; fewer than half had employer-provided health insurance.** Full-time workers were less likely — often substantially so — than workers nationally to have jobs that offered paid vacation, sick pay, and health benefits for themselves and their children. Women who were stably employed had jobs with more benefits than others, but only about half were in jobs that offered

health insurance. The ethnographic data reveal that some women who were told that they had benefits when they took a job later discovered that they could not access benefits when they needed them; for other women, the copay for health insurance premiums was too high to take advantage of this benefit.

- **Among currently employed women who had moved from one job to another over the two-year period, the median time elapsed between jobs was two months.** Spells of unemployment between jobs were often brief and sometimes involved a transition from one job directly into another. However, about one-third of the women in the low- and moderate-stability groups had gone six months or more between jobs.

- **For women who had changed jobs, wage growth between jobs was generally notable; however, wage *loss* was common among women with the least work experience.** On average, job-changers in both the moderate- and high-stability groups saw increases in their hourly wages — increases of 8 percent and 16 percent, respectively. Among women with six or fewer months of work, wages declined by an average of $0.35 an hour, a loss of nearly 5 percent. However, because women typically increased the number of hours worked, average weekly earnings increased among job-changers in all groups.

- **Previously employed women had left jobs that were substantially worse than the current jobs of women who were working.** Women who no longer worked tended to have left low-paid full-time jobs (with a median hourly wage of $6.53). Nearly a third had been in jobs that paid at or below the minimum wage, and a full 77 percent had been in jobs without any fringe benefits. Women who were no longer working were as likely to have had a job end as to quit. Few previously employed women in the survey had applied for unemployment benefits; less than half of those who applied received them.

- **Mothers' earnings were the primary source of income for the majority of households.** Only about one-fourth of the currently employed women lived in households with other wage-earners, and about one-third had some income from welfare. Whether the mothers were currently employed or not, the great majority of their families would be classified as poor or near-poor (that is, below 185 percent of the poverty line), based on total household income from all sources in the prior month.

- **The majority of women faced multiple material hardships, regardless of employment stability.** Food insecurity, housing insecurity, housing deficiencies, residence in a dangerous neighborhood, and unmet needs for health care were widespread. Although women who had been stably employed had fewer material hardships than other women, many, despite their hard work, nevertheless faced deprivations. For example, about 45 percent of these women were food insecure, and a third lived in neighborhoods characterized by gang violence and crime.

- **Nearly all the women who worked faced barriers or "challenges" to employment, but high-stability workers faced fewer.** Most women faced

challenges to succeeding in the labor force but were working nevertheless. As a group, these women tended to have limited education credentials, were caring for several (often young) children without a husband, often had health problems or children who had them, were at risk of depression, and experienced an array of personal problems (for example, domestic violence). The majority of the most stably employed women had at least one such challenge, but they were half as likely as low-stability workers and previously employed women to have multiple problems. The ethnographic data provide rich accounts of how difficult working can be in the context of such problems, and the difficulties can be exacerbated by having jobs that do not offer paid sick days, paid vacation days, or health insurance.

- **Public safety net programs such as food stamps, Medicaid, housing assistance, and child care subsidies were not used by the majority of these women.** Women who were combining work and welfare (about one-third of the workers) were getting food stamps and health insurance. However, only a minority of the working women who had left welfare were getting food stamps, despite the fact that many appeared to be income-eligible for them. High-stability workers were more likely than other workers not to be getting food stamps despite apparent eligibility. Regardless of employment stability, about one out of four currently employed workers were uninsured in the month before the interview, and one out of five had an uninsured child. Regardless of employment status, only one out of six women had a child care subsidy. The ethnographic data suggest that safety net services are not always easy to access and that women (and sometimes their caseworkers) do not always know about their eligibility for services.

## V. Conclusions

In this sample of women drawn from some of the poorest neighborhoods in the country, it is noteworthy that so many had been able to achieve fairly high employment stability. Fully one-third of those who were working when interviewed had been in the same job for more than two years — a remarkable rate of job stability for women workers in this population. The strong work record of women in the survey sample presumably reflects, in part, the booming economy. With labor in relatively short supply, employers may have been more reluctant to fire or lay off workers than they were in the early 1990s. It is also possible that the new work mandates of welfare agencies contributed to employment stability; women may have stayed in jobs longer because they knew they would have to meet participation/work requirements if they quit and went back on welfare — and would have to use up scarce months of benefits left on their time-limit clocks.

Despite their employment, however, most working women in the Urban Change sample had jobs that would make lifting their families out of poverty difficult without other income sources. Women with high employment stability were in much better jobs than other women; as a group, they had higher earnings and more often received fringe benefits. However, it is crucial to note that even among those women who had worked virtually all of the preceding two years, only half had jobs that offered health insurance, and most were in jobs with low earnings.

Thus, many of those who are playing by the rules appear to be losing ground. Their incomes are usually higher than would have been the case had they remained on welfare, but many have lost valuable supports that they had as recipients — most importantly, their health insurance. Although the government has developed a number of important policies to address the needs of the working poor, the data from this study suggest that more needs to be done to "make work pay."

## I. Introduction

Women who have relied on public assistance are finding jobs at an unprecedented rate. As shown in this report, some women are able to maintain fairly stable employment, others hold a series of short-term jobs, and still others hold only a couple of jobs interspersed with long spells of unemployment. While the employment and life experiences of these women are quite varied, their economic circumstances are broadly similar: Few are able to lift their families out of poverty, and only a minority receive such public benefits as food stamps and medical insurance to support their work effort. Consider the following examples:

> *Anna was a 39-year-old woman living in Miami who immigrated from Cuba when she was 20; she became a U.S. citizen in 1991. At the time of her survey interview, she was separated from her husband and had two teenage children living with her. She worked a total of 60 hours per week: 35 hours in her main job as a cook in a restaurant (where she had been working for three years), and 25 hours in a retail sales job (which she had held for eight months). It took an hour each way on public transportation to commute to her restaurant job. Her take-home pay from that job, which offered paid vacation and health insurance but no sick pay, was $190 per week. Her second job added about $100 per week to her earnings, and thus her total annual earnings to support herself and her two kids were about $15,000. She had left welfare a few years earlier and was also no longer getting food stamps, despite the fact that she appeared eligible. She got no housing assistance, either, and she spent more than 50 percent of her earnings on housing. At the time of her interview, Anna's two children did not have health insurance.*

Anna could be described as a welfare reform success story because she was steadily employed for several years and had health insurance. But she had an exhausting schedule and, despite her commitment to employment, she and her family were living below 185 percent of the federal poverty level (FPL),[1] which is considered near-poor.

> *Kitina, who was 20 years old when first interviewed in 1997, was about to begin training as a medical assistant, but her welfare caseworker told her that she also had to work 20 hours per week to meet her participation requirement. She wanted both the training and the job but worried about never seeing her daughter and having "a stranger raise my kid." This dilemma was resolved when Kitina's mother rearranged her work schedule to care for the 18-month-old child. Upon graduation from the training program, Kitina was unable to land a steady job in her field. Although she was offered a job at the local branch of a chain of weight-loss clinics, she couldn't accept it because its two weeks of required training were held in a neighboring state and the train fare was too expensive. Several months later, Kitina's ongoing search for employment resulted in a full-time, $6.50-per-hour job at an animal shelter. Although the pay was relatively low, the job included health insurance and other benefits. That job was short-lived, however,*

[1] The FPL is established annually for families of different sizes, based on specified sources of income. In 1998, the FPL for a family of three was $13,650; this family would have been near-poor (185 percent of the FPL) with an income at or below $25,253.

*because threats from an abusive former partner jeopardized her employment. Kitina reenrolled in welfare, and one month later — more than a year after she was certified — she finally landed a job in her field, earning $9.50 an hour. When we[2] last spoke with Kitina in April 2000, she had held that job for nearly a year and was getting no public aid except health benefits for her daughter. Although her job as a medical assistant paid better than the jobs held by most women in this study, Kitina still reported having trouble meeting all her expenses, and her family remained near-poor.*

Kitina was fortunate in that she was able to meet the welfare agency's work participation requirement and still attend school because her efforts were supported by free child care from a family member she trusted. However, her case also illustrates the challenges that some women faced finding work in an urban labor market, even in the late 1990s, and the difficulties that such barriers as transportation costs and domestic violence may pose for employment. In contrast, the woman in the next example had recently lost crucial network support with child care, and one of her two preschool children had a serious health problem.

*Miranda, a 26-year-old Mexican-American woman from Los Angeles, had a fairly steady work record until four months before her survey interview, when she left her job as a bank cashier because her son (age 4) had serious health problems. She also had a 2-year-old daughter, and her husband, from whom she was separated, no longer lived near enough to help with child care. The bank job had paid $210 a week before taxes and offered no health insurance, sick pay, or paid vacation. Miranda had worked 36 hours per week, working daily from early afternoon until 8 P.M. Although at the time of the interview she was getting cash welfare assistance, food stamps, and Supplemental Security Income (SSI) benefits on behalf of her son, her relatively high rent and utility costs (over $700 per month) without housing assistance made it difficult to make ends meet, and she reported that she sometimes couldn't afford to feed her children balanced meals. At the time of the interview, Miranda was looking for a part-time job.*

Miranda may well have found the part-time job she was looking for: She had a high school diploma and good work experience, was in good health, and expressed a desire to work. The next woman, unfortunately, had more enduring problems that interfered with her employment stability.

*Karen, an African-American resident of Cleveland, had just left a $6-per-hour job assembling light fixtures when we first met her. Because the job's physical demands exacerbated long-standing health problems, Karen felt compelled to leave the job and return to welfare. Though she was committed to working, she wanted a job that was less taxing physically. She went to a temporary employment agency, whose staff informed her that her education and skills didn't qualify her for the desk jobs that she sought. After a six-month spell without work, Karen was assigned by the agency to another factory job, this time assembling vacuum*

[2]In describing ethnographic data, it is often preferable to write in the first person. However, not all authors participated in ethnographic interviews. Thus, "we" in these instances refers to the Urban Change ethnographic team.

*cleaners, at a higher wage ($7.50 per hour). After half a year at that factory, Karen's health had deteriorated to the point where she was hospitalized. She followed her employer's advice and quit her job rather than being fired. Several weeks later, when she was interviewed again, she had been diagnosed with multiple sclerosis. She had not yet reapplied for welfare but knew that she would have to do so unless she could find a job that didn't require her to be on her feet all day. She also wanted to find a day job, because, in her view, the evening-shift factory job had led to both children's being held back a grade in school. Additionally, her health problems mandated that she land a job with benefits. Given these barriers to work, Karen was unsure whether she could manage to sustain employment over the long term.*

As these four examples show, this report provides a rich description of the experiences of current and former welfare recipients engaged in the labor market. Based both on survey data from a sample of several thousand women (including Anna and Miranda) who lived in high-poverty neighborhoods in four major cities and on in-depth longitudinal data from an ethnographic study in the same sites (including Kitina and Karen), this report examines what life is like for the women who are playing by the new welfare rules by entering or returning to the labor force — and for the women who entered the labor force but did not remain.

### A. Background

The strength of the American economy during the late 1990s was unprecedented. Unemployment rates dropped, as did overall poverty rates. But did the rising economic tide lift all boats, or did some founder?

Between 1992 and 1999, poverty rates declined for virtually all segments of the American population — for whites, African-Americans, and Hispanics; for female-headed and male-headed households; and for households with or without children. However, an ever-increasing percentage of people in poverty are workers. In 1992, of poor people age 16 years and over, 9.2 percent were year-round, full-time workers; by 1999, this percentage had increased to 11.7 percent — a 27 percent increase (U.S. Bureau of the Census, 2001). Indeed, in 1999, fully two-thirds of parents who were poor or low-income (below 200 percent of the FPL) worked (Acs, Phillips, and McKenzie, 2000). Thus, while fewer Americans are officially poor, more of the poor are the working poor.

Changes in public policy likely contributed to the growth in numbers of the working poor. One particularly important change involved the federal policy on cash assistance for poor families with children. Beginning in 1935, the federal government has provided funds for welfare programs covering single mothers, who were deemed eligible for public welfare assistance because society saw an explicit value in supporting poor mothers who were raising small children. However, with the growth in the welfare rolls, changes in the characteristics of the welfare caseload (for example, more never-married mothers), and the increasing rate of employment among mothers of young children generally, society's views have altered about providing cash support for poor mother-headed families. Thus, starting with the Work Incentive (WIN) program in 1971, Congress has defined an ever-expanding group of single mothers on welfare as employable and subject to participation and work requirements. This evolution of social policies culminated in 1996 with the passage of legislation known as the Personal Responsibility and Work

Opportunity Reconciliation Act (PRWORA), a fundamental goal of which is to move virtually all recipients of cash aid off the welfare rolls and into paid employment. Most states now offer more generous financial incentives for employment. Key features of this act are that it places a five-year lifetime limit on federally funded cash benefits for most recipient families and that it imposes stricter demands on states to engage recipients in welfare-to-work activities to prepare them for the transition to employment. Most states now offer more generous financial incentives for employment than were previously available; that is, more of a recipient's earned income is disregarded when calculating cash benefits.

In the years since PRWORA was passed, work clearly has become a more vital part of the lives of millions of single mothers who might otherwise have collected welfare: Welfare rolls have dropped sharply, and employment has risen. Nationally, welfare caseloads dropped by more than 50 percent between August 1996 and September 2000.[3] Concomitantly, there has been an increase of nearly 15 percent in the number of women in mother-headed families who are employed in the formal economy.[4] Taken together, these changes offer a partial explanation for the growth of the working-poor population.

Public policy has not ignored the disadvantaged people who are moving into the labor force. During the 1990s, the federal government also introduced or strengthened a number of policies aimed at assisting low-income workers. For example, at almost the same time as PRWORA was passed, federal lawmakers enacted a higher minimum wage. PRWORA itself severed the link between cash assistance and Medicaid, enabling very low-wage working parents to remain eligible for health benefits. In 1997, the Children's Health Insurance Program (CHIP) was enacted to provide funding to states to cover health care costs for children in families with incomes up to twice the poverty level. Funding for child care subsidies for working parents has increased substantially. And, most important, the Earned Income Tax Credit (EITC) program has been vastly expanded. It is widely accepted that the EITC, which is a refundable credit originally designed to offset the burden of payroll taxes for low-income workers, has helped to lift millions of people out of poverty.

But are these policies enough? Despite decreases in the percentage of mother-headed families with incomes below the official poverty line, the poverty rates for mother-headed families remain high; more than one-third of such families were below the poverty level in 1999.[5] The emerging evidence suggests that when welfare recipients leave welfare for work, their income and economic well-being do not, on average, decline dramatically, as many had feared, but they do not improve much, either (Acs and Loprest, 2001).

A related concern is whether people who qualify for other types of assistance (such as food stamps or child care subsidies) know about the services and programs for which they are eligible when they leave welfare for work, and whether they avail themselves of those supports (see, for example, Quint and Widom, 2001). Recent evidence about declines in food stamp par-

[3] In August 1996, there were 4.4 million families on welfare, compared with 2.2 million families in September 2000 (U.S. Department of Health and Human Services, 2001).

[4] In 1996, there were 7.4 million women who headed families and were employed; by 2000, the number had increased to 8.4 million (U.S. Department of Labor, Bureau of Labor Statistics, 2001).

[5] In 1996, 41.9 percent of all mother-headed families with children under age 18 were below the poverty level, compared with 35.7 percent in 1999 (U.S. Bureau of the Census, 2001).

ticipation and rises in the rates of the uninsured suggest that public policy may need to develop or strengthen solutions to the problems faced by the working poor.

The rapidly changing landscape of social policy for the poor in the United States has led to considerable interest in the families affected by the changes. One focus of concern has been the fate of recipients who have left welfare — how well they are managing, how stable their employment situations are, whether they have been able to escape poverty through work, and how successful they have been in accessing services and programs that support their transition to employment. Indeed, nearly all states and many localities have launched studies to assess how recent welfare "leavers" have been affected (see, for example, Acs and Loprest, 2001).

The Project on Devolution and Urban Change (Urban Change, for short) is one of several multimethod studies that are assessing the well-being of a somewhat larger portion of the low-income population, including those who have recently left welfare for work. Using data from the Urban Change project, the present report contributes to the growing literature on the working poor by offering a rich and in-depth description of women in poor urban neighborhoods who have been welfare recipients and who have found paid employment. Drawing on both extensive survey data and intensive longitudinal ethnographic data, the report explores these workers' employment patterns and experiences, their backgrounds and life circumstances, and the services and programs they used to help support their families. The report focuses, in particular, on the lives of low-income working women who have attained various levels of employment stability. It is hoped that this detailed portrait of working mothers will aid policymakers in their efforts to develop policies and programs to promote long-range self-sufficiency and to reduce economic hardship among working families.

### B. Research Questions

Prior studies with women who have been on welfare invariably have found that, when they do get jobs, they tend to find low-wage jobs without benefits and that they do not stay in those jobs for long (Acs and Loprest, 2001). Overall, these studies suggest that many such women cycle in and out of jobs, and on and off the welfare rolls. It might be hypothesized that the women in the Urban Change sample would have even worse employment experiences than women in other studies, because (as described in the next section) the sample was drawn from extremely disadvantaged neighborhoods that have limited employment opportunities.

Thus this report is fundamentally concerned with the employment rates of this markedly disadvantaged group and with how those rates changed over time. More important, however, is the focus on employment stability. Few studies of this population have explored the relationship between employment stability and aspects of these women's work experiences and overall lives. And none has explored these issues in the current welfare environment by combining broad survey data from a random sample of recipients with rich longitudinal data from ethnographic research. Thus, this study will shed new light on what life is like for women who have been relatively successful in sustaining employment — and for those who have not.

Among the specific questions addressed in this report are the following:

- How many women in the Urban Change project were able to sustain employment? Did they achieve stability mostly by staying in one job or by transitioning quickly when they switched jobs?

- What kinds of jobs did these women hold? In what ways were the jobs of women who were able to sustain employment different from the jobs of women who were not?
- Why had women who were no longer employed at the time of the interview left their most recent job? What kinds of jobs had they left?
- What happened when women changed jobs? How long did it take them to become reemployed? Did their earnings and work hours change?
- What were the financial circumstances of women who were stably employed, compared with the circumstances of women who were not? What kinds of material hardships accompanied their financial circumstances?
- How many women left welfare for stable jobs, and how many were combining work and welfare?
- What were the backgrounds of women who had different degrees of employment stability, in terms of such characteristics as age, education, and family structure?
- What personal challenges and barriers did these women face in securing and keeping a job?
- Which public "safety net" programs helped to support the employment efforts of these women?

### C. Data Sources and Analysis

- **The Urban Change project, a complex, multimethod study of disadvantaged families, was the data source for this report.**

The Urban Change project, initiated by the Manpower Demonstration Research Corporation (MDRC), is a five-year multimethod study of the implementation of welfare reform in four large urban counties and of the effects of reform on families with children and on the neighborhoods in which they live. These counties incorporate the cities of Cleveland (Cuyahoga County, Ohio); Los Angeles (Los Angeles County, California); Miami (Miami-Dade County, Florida); and Philadelphia (Philadelphia County, Pennsylvania). Thus, one distinctive aspect of the Urban Change project is its urban focus. The decision to study large cities was based on the assumption that the effects of welfare reform — favorable or unfavorable — would be most evident in urban areas, where poverty and welfare receipt are concentrated[6] and where unemployment tends to be higher than average. It is important to note, however, that the present report does not provide in-

[6]Indeed, the great majority of welfare recipients in the United States live in urban areas. Nearly one-third (32.7 percent) of all welfare recipients in 1999 lived in 10 of the largest urban counties (three of which are Urban Change sites — Cuyahoga, Los Angeles, and Philadelphia), and that percentage has been growing. In fact, some 14 percent of all welfare recipients in the United States lived in the four Urban Change counties in 1999 (Allen and Kirby, 2000).

formation about the *impacts* of welfare reform but, rather, is a portrait of the work experiences of some of the women potentially affected by reform. Subsequent Urban Change reports will address issues relating to the impacts of welfare reform in these counties.

A second noteworthy aspect of the Urban Change project is its multidisciplinary nature. The study involves five distinctive components that are designed to complement each other and that will be integrated to provide a comprehensive description of welfare reform stories unfolding in the four Urban Change sites. Table 1 summarizes the major features of the study.

- **This report draws on both survey and ethnographic data from Urban Change.**

As indicated in Table 1, the Urban Change study is collecting data from multiple sources, including longitudinal survey interviews and longitudinal ethnographic interviews and observations. This report combines data from the first round of the survey and from multiple rounds of the ethnography to depict the lives of working women who have a history of welfare receipt. The goal here is to use both survey and ethnographic data to provide a portrait of the broad range of households in this group of working-poor families, a portrait that is both rich in detail and broad in generalizability.

**Survey Data.** The Urban Change survey involved a group of women who, in May 1995, were single mothers age 18 to 45 and were receiving cash welfare and/or food stamp benefits. The sample was randomly selected from women who were living in census tracts where either the poverty rate exceeded 30 percent or the rate of welfare receipt exceeded 20 percent — that is, in the most economically disadvantaged neighborhoods of the four cities. The first round of interviews was completed between March 1998 and February 1999,[7] and the sample consisted of about 1,000 women per site, for a total of 3,960 respondents.[8] In these in-person interviews, trained interviewers asked women questions about a wide range of topics, including their employment histories over a two-year period, their wages and work hours, their family configurations, their household income, measures of health and material hardship, and their use of support and safety net services.

This report focuses on the women in the survey who worked at some point during the two-year period prior to the interview.[9] These 2,860 women represent 73 percent of the overall sample. Over time, the percentage working in any given month rose steadily between 1996 and 1999. One-third of the women reported having had paid employment in August 1996; by August

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[7]The second-round survey was fielded in the spring of 2001.

[8]Of those randomly sampled, 79 percent were interviewed. About 10 percent of the selected sample could not be located, and about 10 percent refused to be interviewed. Note that survey response rates for many of the state-initiated leaver studies are generally under 75 percent and sometimes are as low as 51 percent (Acs and Loprest, 2001).

[9]Specifically, respondents were asked two questions to determine paid employment: (1) "Since [date two years earlier], have you worked for pay at any regular job at all? Please don't count unpaid work experience, but do include any paid jobs, including paid community service jobs or paid on-the-job training"; and (2) "A lot of people have irregular or temporary jobs on the side to make ends meet. This would include odd jobs like babysitting, doing hair, or other paid work at home, or other occasional jobs like cleaning houses or doing day labor. Have you done any job like that for pay since [date two years earlier]?" Respondents who answered "yes" to either question were counted as having had paid employment.

**The Project on Devolution and Urban Change**

**Table 1**

**Key Features of the Urban Change Project**

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**Goal**
To understand how state and local welfare agencies, poor neighborhoods, and low-income families are affected by the changes to the income support system in response to the passage of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996.

**Locations (sites)**
Four large urban counties: Cuyahoga (Cleveland, Ohio), Los Angeles, Miami-Dade, and Philadelphia

**Project components**
The *Ethnographic Study* illuminates the effects of the changes by chronicling, in depth and over time, how approximately 40 welfare-reliant families in each site cope with the new rules and policies.

The *Implementation Study* describes both the new welfare initiatives — rules, messages, benefits, and services — that are developed at the state and local levels and the experiences of the local welfare agencies in putting these new initiatives into practice.

The *Individual-Level Impact Study* measures the impact of the new policies on welfare, employment, earnings, and other indicators of individual and family well-being, via two components:

1. an *administrative records component*, for countywide samples of welfare recipients and other poor people
2. a *survey component* involving two waves of in-person interviews with a sample of residents of high-poverty neighborhoods

The *Institutional Study* examines how the new policies and funding mechanisms affect nonprofit institutions and neighborhood businesses.

The *Neighborhood Indicators Study* assesses changes in statistical indicators that reflect the social and economic vitality of urban counties and of neighborhoods within them where poverty and welfare receipt are concentrated.

**Distinctive features**
*Its urban focus.* The project examines the impacts of welfare reform in America's big cities.

*Its neighborhood focus.* All five components of the project will focus especially on residents of high-poverty neighborhoods, the public and nonprofit agencies that assist them, and the effects of welfare reform on the stability and vitality of their communities. Findings will also be reported at the county level.

*Its effort to integrate findings across the components.* The goal of the project is to bring multiple data sources and methodologies to bear in answering the questions of interest. The results of the separate studies are intended to illuminate, clarify, reinforce, and otherwise complement each other, as exemplified in this report.

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SOURCE: Polit et al., 2001.

1998, the percentage had increased to more than half (not shown in tables). Overall, at the time they were interviewed, 50 percent of the women in the sample were working. These rates of employment are comparable to those reported in studies of similar populations (current or former welfare recipients), indicating that substantial percentages of welfare recipients do become engaged in paid employment.[10]

It is important to keep in mind in reading this report that this sample is broader than the recent welfare leaver studies, which collect follow-up data on recipients who have left cash assistance at a fixed point in time. The Urban Change sample includes a few people who never received welfare (that is, they were food-stamp-only recipients in May 1995), some who were still welfare recipients, and others who had left welfare several years before the survey.[11] Specifically, the distribution of welfare receipt among the 2,860 women with recent work histories was as follows:

- 5 percent never received welfare.
- 38 percent left welfare more than one year before the interview.
- 15 percent left welfare within the year before the interview.
- 43 percent were still receiving welfare.

In this report, the analysis of the survey data is descriptive. These data are used without any statistical adjustments to compare the employment patterns and experiences of women who differed in employment status and stability over the two-year period. The survey data provide a snapshot description of these women at a particular point in time.

This report does not focus on differences among women in the four Urban Change sites.[12] Nonetheless, it is important to note that employment stability and other aspects of the women's employment experience did vary among the sites. However, the differences were generally not substantial, and no single site stood out as having consistently worse-than-average (or better-than-average) results across employment outcomes.

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[10]For example, in a recent study in which survey data were collected from a sample of welfare recipients in New Jersey (Rangarajan and Wood, 2000), some 49 percent were employed two and a half years after the study began, a rate almost identical to that obtained in the Urban Change sample. In terms of ever having worked, the 72 percent in the Urban Change sample is close to the two-year work experience rate (69 percent) among randomly assigned program participants in the National Evaluation of Welfare-to-Work Strategies (NEWWS) study of 11 mandatory welfare-to-work programs that operated in various locations in the early to mid 1990s (Strawn and Martinson, 2000). And a recent compilation of information from 12 welfare leaver studies reported that from 62 percent to 75 percent of recipients had worked at some point after leaving welfare (one to two years of follow-up) and that from 45 percent to 60 percent were employed at any given time after exiting (Acs and Loprest, 2001).

[11]The survey did not ask respondents about when they left welfare because it was assumed that welfare administrative records would provide more accurate information than could be obtained through personal recall. However, administrative record information about the welfare histories of survey sample members was unavailable at this writing.

[12]Appendix A summarizes some key site findings with regard to the women's employment experiences. Beginning in 2002, four separate reports describing the welfare reform stories in the Urban Change sites will become available.

**Ethnographic Data.** The ethnographic study includes (1) repeated, in-depth, semistructured, in-person interviews and (2) observational data collected over a three- to four-year period with a sample of 30 to 40 families in each site. Ethnographic study participants were welfare-reliant at the first interview, in 1997 or 1998. Subjects were recruited from three or four high-poverty neighborhoods in each city, neighborhoods that varied in terms of their ethnic composition and poverty level. The ethnographic interviews explored many of the same issues as the survey, but because we engaged respondents in conversations that elicited open-ended discussions about each of these issues, the interviews yielded highly detailed narrative data about how the families were coping with the new welfare rules and policies and about how they were attempting to combine parenting responsibilities with work.

The survey and ethnographic samples were drawn from overlapping but not identical populations (no women were in both the ethnography and the survey). As indicated above, the survey sample includes some women who had never received cash welfare benefits as well as some who had left welfare several years previously. In contrast, all ethnographic respondents were receiving cash benefits when we first contacted them, and they were living in even more disadvantaged neighborhoods, on average, than the survey sample.[13] Thus, survey respondents are a more heterogeneous group of individuals representing a broader segment of the low-income population, whereas the ethnographic sample is more narrowly defined. Both, however, were drawn from the poorer neighborhoods of very large cities, where the economic challenges are likely to be formidable for low-skilled mothers raising children alone.

The ethnographic data follow the lives of families over three to four years. This qualitative analysis sheds light on mechanisms and processes that cannot be understood from the available survey data, and it is particularly useful for suggesting such mechanisms and processes when respondents are followed intensively over a substantial period of time. In this case, the longitudinal ethnographic design makes it possible to monitor changes and to ask about such changes as they occur. When a change occurs, the interviewers solicit a detailed narrative about events before and after the change. Common patterns are then identified and are used to generate ideas about underlying causes of particular outcomes. The analysis also looks for patterns in respondents' stated motivations for certain courses of action, and an understanding of respondents' motivations informs the work.

The analysis of ethnographic data for this report involved identifying particular cases (a subset of 21 from the roughly 160 ethnographic cases across sites) that typified various patterns found among those women who worked at some point between the first and third years of the ethnographic study.[14] Table 2 introduces each of the study participants profiled in this analysis and summarizes their key characteristics.[15] Throughout this report, examples from the ethnographic respondents' lives are used to illustrate important patterns and to posit explanations or caveats relating to the survey findings.

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[13] All the ethnographic neighborhoods were in census tracts from which the survey sample was drawn, but the survey sampled women from dozens of census tracts, some of which were less poor than those used in the ethnography.

[14] Five representative survey respondents were also identified to supplement the qualitative descriptions.

[15] An in-depth analysis of the larger ethnographic sample is beyond the scope of this report, but preliminary results are available elsewhere (see, for example, Scott, Edin, London, and Mazelis, forthcoming; Scott, Edin, London, and Kissane, 2001; London, Scott, Edin, and Hunter, 2001; Polit, London, and Martinez, 2001).

**The Project on Devolution and Urban Change**

**Table 2**

**Case Studies Drawn from the Ethnographic and Survey Data**

| Name[a] | Demographic Characteristics[b] | Recent Employment History | Other Background |
|---|---|---|---|
| | | ***Ethnographic Study Participants*** | |
| **Angela** | 45; Mexican immigrant from L.A.; 5 kids: 3 adults, 2 under age 13 | Worked 8-10 months in 1997 referring patients to a dental clinic and was paid per patient (about $5,000 total); late in 1999, started temporary work as a janitor. | Immigrated to the United states at age 17 and was a legal resident applying for citizenship; was also helping husband to obtain legal residence. |
| **Barbara** | 39; African-American woman from Miami; 3 kids, ages 2, 4, and 6 | Began working for the post office 5 months after baseline and has remained there as a "temporary" mail sorter and then letter carrier. | Father of children does not live with family but is in the house daily and helps to support his children financially. |
| **Coleen** | 26; African-American woman from Miami; 1 infant child | Held a variety of jobs, including telemarketing for $6 per hour; worked steadily since high school, except for 7 months (total) pre- and postnatal. | Had a high school diploma and dietary aide certificate; is the oldest of 10 children. |
| **Danielle** | 25; white woman from Philadelphia; 2 daughters (1 under age 6) | Over 3½ years, held 7 different jobs (cleaning houses, telemarketing, retail, food service, and census worker); was working formally or informally for most of the time. | Experienced severe depression and ongoing housing problems; had sometimes worked informally at brother's pizza parlor, but it burned down and was sold. |
| **Debbie** | 26; African-American woman from Cleveland; 3 kids (2 under age 6) | Shortly after baseline, took a telemarketing job and briefly had a second job; later, left both jobs to do medical billing for Bureau of Workman's Compensation. | Four-year-old daughter has brain damage from anoxia at birth. |
| **Eileen** | 41; white woman from Philadelphia; 5 children under age 18 | Worked briefly at a gas station and a factory in the first 6 months of the study, then began working at a laundromat and a Dunkin' Donuts; stayed at the laundromat for 3 years. | Has a number of health problems (pain, bone spurs, broken bones, dehydration, malnutrition, and asthma) and has had spells without health insurance. |
| **Jackie** | 39; African-American woman from Miami; 2 daughters under age 13 | Worked as a maid in a small hotel for $6.75 per hour for 5 months; also did occasional cleaning and babysitting before that. | Supports family without cash welfare or money from her boyfriend by combination of public housing, formal work, and food stamps. |
| **Judy** | 23; African-American woman from Miami; 3 kids under age 6 | Worked temporarily at Toys R Us as a cashier and stockperson around Christmas time. | Would like to work more steadily so that she and kids can move out of mother's apartment. |
| **Karen** | African-American woman from Cleveland; 2 kids in school | At baseline, had just ended a year of full-time work assembling light fixtures; then, after 6 months of unemployment, worked at factory, for about 6 months. | Cycled between welfare and work over the first year of the study; lost the factory job for calling in sick; was later diagnosed with multiple sclerosis. |

(continued)

**Table 2 (continued)**

| Name[a] | Demographic Characteristics[b] | Recent Employment History | Other Background |
|---|---|---|---|
| | | ***Ethnographic Study Participants*** | |
| **Kathryn** | 45; white woman from Philadelphia; 2 children under age 18 | Most recent job was envelope-stuffing, for minimum wage, for 5 months; was laid off and rehired again 5 months later; stayed for 6 months and was laid off and rehired again. | Passed away from cancer on March 30, 2001. |
| **Kitina** | 20; white woman from Philadelphia; 1 infant daughter | Worked at McDonald's part time for the first year of the study; then at a doctor's office for several months; then at an animal shelter; and then at another doctor's office. | Completed a medical assistance training program during the time of the study; had to leave a job because of domestic violence. |
| **Marcia** | 27; African-American woman from Philadelphia; 2 kids | At baseline, styled hair and did other odd jobs; in the first year of the study, worked on her lunch truck for 1½ months and at a housekeeping job for 2 months. | At baseline, had not graduated from high school, but has since received GED; was receiving Social Security because her daughter's father had been killed. |
| **Michelle** | 23; African-American woman from L.A.; 2 kids under age 6 | Began work at an arts and crafts supply store shortly after baseline and has stayed there for 2 years, although hours fluctuate. | At baseline, had recently regained custody of son and was in the process of moving him from father's welfare check to hers. |
| **Myrna** | 29; Mexican immigrant from L.A.; 3 kids under age 13 | Worked night shift at Target for almost 3 years; combined a string of full-time temporary jobs with work at Target for half that time, then left Target. | Had legalized her immigration status in 1996 but was having difficulties obtaining benefits to which she was entitled. |
| **Rosario** | Puerto Rican immigrant from Miami; 2 daughters, ages 8 and 18 | Worked at a string of temporary jobs: certified home visiting nurse's assistant, job in a jewelry factory, and several jobs that lasted from 10 days to 3 months. | Had migrated from Puerto Rico 6 years earlier but could not speak English; just before last interview, daughter gave birth and went on welfare. |
| **Sarah** | 25; white woman from Philadelphia; 2 sons | Worked part time for minimum wage in a pharmacy from October 1997 to May 1998; worked full time in a clothing store from late May 1998 to April 1999; left the clothing store for a better-paying job in a factory but was laid off in August 1999. | Had been on welfare for a total of 6 years; felt that work both improved self-esteem and contributed to depression. |
| **Susan** | 36; white woman from Cleveland; 2 teenage sons | At baseline, was unemployed and finishing a program in medical assistance; within a year, found a job as a medical assistant in a large group practice. | Had job with health and other benefits; income more than doubled in the first two years of the study as a result of moving from welfare to work. |
| **Tamara** | African-American woman from Cleveland; 3 kids over age 6 | Worked third shift for over a year in the laundry of a nursing facility, for $5.75 per hour. | Lived with husband and children and had health-related caretaking responsibilities for mother. |

(continued)

**Table 2 (continued)**

| Name[a] | Demographic Characteristics[b] | Recent Employment History | Other Background |
|---|---|---|---|
| | | ***Ethnographic Study Participants*** | |
| **Tammy** | 28; African-American woman from Miami; 1 infant | Clerked in father's construction company; then was unemployed for 8 months; then worked as a diet aide in a hospital for at least a year. | Had high school diploma and health aide certificate; lived with fiancé, who helped her find the hospital job; had second child during the course of the study. |
| **Tina** | 35; African-American woman from Philadelphia; 6 kids: 1 adult, 2 under age 6 | At baseline, was working odd jobs in housekeeping and babysitting; over the first year and a half of the study, worked for 7 months as a full-time hotel housekeeper. | Dropped out of high school because of difficulty concentrating (older brother was sexually abusing her); second husband was also abusive. |
| **Ye** | 48; Cambodian immigrant from L.A.; 7 kids living with her | No formal employment but supplemented family's income with occasional piecework, finishing hems or zippers. | Came to L.A. from Cambodia in 1982, at age 32; at baseline, had been with husband, Virath, for 31 years. |
| | | ***Survey Participants*** | |
| **Anna** | 39; Cuban immigrant from Miami; 2 teenage kids | Had two jobs when interviewed: Had been a cook in a restaurant for 3 years and had held a retail sales job for 8 months. | Was not receiving cash welfare, food stamps (though she appeared eligible), or housing assistance; her two children did not have health insurance. |
| **Carmen** (Box 2, p. 21) | 26; Hispanic woman from Miami; 3 kids ages 7 and 6 years and 11 months; never married; lived with her father | Worked for 1 year doing clerical work in a real estate agency; then took 7 months off for maternity; then took a different job as a receptionist. | Was receiving Medicaid for herself and her children when interviewed but had gone 3 months in the past year (a period when she had delivered a baby) without any insurance. |
| **Charlotte** (Box 3, p. 32) | 35; African-American woman from Cleveland; 4 kids, ages 17, 13, 12, and 6; recently divorced. | Took a full-time job as a cashier in a department store 3 months before the interview; earned $5.20 per hour; had not worked since the early 1980s. | Was still receiving cash benefits, food stamps, and Medicaid; family was below 50% of the federal poverty limit. |
| **Miranda** | 26; Mexican-American woman from Los Angeles; kids, ages 4 and 2; separated from husband. | Had worked until 4 months before the interview, when she left her job as a bank cashier because her 4-year-old son had serious health problems. | Was receiving cash welfare, food stamps, Medicaid, and SSI benefits on behalf of her son. |
| **Yvonne** (Box 1, p. 17) | 24; African-American woman from Philadelphia; lived with her mother and 2 kids, ages 4 and 5. | Began working in full-time job as a health aide in a hospital 25 months before the interview; briefly took another job as a cashier in a department store. | Earned GED and a training certificate as a health aide at age 22; had been off welfare for over a year and was not receiving food stamps, Medicaid, or SSI; but did report $1,000 tax refund from EITC. |

(continued)

**Table 2 (continued)**

SOURCES: Responses to the Urban Change Ethnographic Study Protocols (for ethnographic participants) and the Urban Change Respondent Survey (for survey participants). The ethnographic and survey samples do not overlap; see Section I.C for more information.

NOTES:

[a]All names are pseudonyms.

[b]Ages are in reference to the time of the first interview (for ethnographic respondents) and to the only survey interview (for survey respondents).

## II. Employment Patterns and Experiences

### A. How Stably Employed Were the Women Who Worked?

Prior research — although done in a different economic climate — suggests that it may be easier for poor women to *find* a job than to *keep* or stay in it. For example, a national study based on longitudinal data from the early 1990s (the National Longitudinal Survey of Youth, or NLSY) found that about one-quarter of recipients who became employed stopped working within three months and that nearly three-quarters were no longer working within a year (Rangarajan, Schochet, and Chu, 1998). Employment stability and job retention are especially important topics in the current welfare policy environment because, once welfare recipients have reached their time limit, they presumably will not be able to use welfare for backup assistance between jobs.

- **The majority of currently employed women in the Urban Change survey had fairly stable employment, having worked in most of the prior 24 months.**

Contrary to what has been found in many other studies of welfare recipients, there was a fair amount of employment stability among women in the survey sample. About 55 percent of the women who were working at the time of the interview (38 percent of those who had ever worked in the two years before the interview) had worked in at least 19 of the prior 24 months, which represents more than 75 percent of the months included in employment history data. In the National Evaluation of Welfare-to-Work Strategies (NEWWS) study, by contrast, only 26 percent of the women who had worked during the study period had been employed in more than 75 percent of the quarters in question (Martinson, 2000).[16] Part of the difference likely reflects differences in the time periods of the studies (that is, the NEWWS study was based on data from the mid-1990s, when the economy was less strong). And the difference may also partly reflect the use of different data sources: survey data, in Urban Change, versus unemployment insurance (UI) data, in NEWWS.[17] Still, the difference between 26 percent of workers in NEWWS and 38 percent of workers in Urban Change is noteworthy, especially considering that the Urban Change sample was specifically selected to represent women from extremely disadvantaged neighborhoods in four major urban areas where rates of unemployment are generally above the national average.

The rate of employment stability in the sample suggests that, for the majority of working women, "current employment" was not simply a happenstance of when the interview was conducted. On average, currently employed women had held a job in nearly 17 of the prior 24 months and had worked in nearly 10 of the 12 months prior to the interview. Over 60 percent of these women had worked in all 12 of the prior 12 months.[18]

Because of the importance of employment stability for this vulnerable population, the remainder of this report examines the women's employment experiences and life circumstances in relation to employment stability, that is, the extent to which women had worked for pay in the

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[16] Similarly, in a national study of welfare recipients who found jobs, Rangarajan, Schochet, and Chu (1998) found that 31 percent had worked in more than 75 percent of the weeks within a two-year period.

[17] In their summary of findings from 12 welfare leaver studies, Acs and Loprest (2001) compared survey and UI data when both were available in a study; survey data invariably showed higher rates of paid employment than data from UI records, presumably because surveys can capture "off-the-books" employment.

[18] Most of the currently employed women were not recent entrants into the labor force. Only 13 percent had started their first job of the 24-month period less than 6 months before the interview.

two years before the interview. The women who were working at the time of the interview were divided into three employment stability groups (a scheme similar to that adopted in Martinson's [2000] report using NEWWS data):[19]

- **High stability.** Women who had worked in 75 percent or more of the prior 24 months (that is, for 19 to 24 months) made up 55 percent of the currently employed women. (Box 1 on page 17 presents a profile of Yvonne, a survey respondent from Philadelphia who had high employment stability.)[20]

- **Moderate stability.** Women who had worked in more than 25 percent but in less than 75 percent of the prior 24 months (that is, from 7 to 18 months) made up 30 percent of the currently employed women. (Box 2 on page 21 highlights Carmen, a survey respondent from Miami who had moderate employment stability.)

- **Low stability.** Women who had worked in 25 percent or less of the prior 24 months (that is, for less than a month or up to 6 months) made up 15 percent of the currently employed women. (Box 3 on page 32 presents a profile of Charlotte, a survey respondent from Cleveland who had low employment stability.)

It should be noted that employment stability was more prevalent among survey respondents than among ethnographic respondents, which likely reflects sampling differences: Ethnographic respondents were selected from even more impoverished neighborhoods than were survey respondents. Additionally, women in the ethnographic study were all welfare recipients at the first interview, whereas 57 percent of survey respondents who had worked were not receiving welfare when they were interviewed in 1998. Despite these differences, the ethnographic sample includes women who, over time, experienced low, moderate, and high employment stability.

While employment stability is generally considered desirable — both for workers and for public agencies that offer supports to low-income families — it should also be noted that employment stability itself can sometimes be associated with problems, especially for low-wage workers. In particular, staying in a job sometimes makes it difficult or impossible to look for another job that might be more desirable or might offer greater potential for advancement or the opportunity to return to school for more education.

- **Most women in the survey who worked had held only one job, but a substantial minority — especially among those with moderate employment stability — had worked at multiple jobs.**

On average, currently employed women had held 1.7 different jobs in the two years prior to the survey. However, the majority of these women (57 percent) had held only one job, and only a small minority (16 percent) reported more than two jobs in the two-year period (not

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[19] Appendix Table B.1 presents the distribution of these three employment stability groups among those women who were currently employed, those who had ever worked for pay in the two years before the interview, and the entire Urban Change survey sample.

[20] The profiles presented in Boxes 1 through 3 are based on actual survey respondents who were selected because they well represented the employment experiences of women in the specified stability group. All names are pseudonyms.

**Box 1**

## Yvonne: A Survey Respondent with High Employment Stability

Yvonne, an African-American woman from Philadelphia, was 24 years old when she was interviewed in April 1998. She had become pregnant while in high school and had dropped out, but she did return to school to get a GED certificate in 1996, when she was 22. In the same year, she also received a training certificate as a health aide. Although she had never been married, Yvonne had lived with a partner, who died in the year prior to the interview. She was now living with her mother and her two children, ages 4 and 5, in the housing project where she had lived for 14 years. Housing cost her $250 per month.

In March 1996, Yvonne began working in her current full-time job as a health aide in a hospital. She earned $8.30 an hour and received full fringe benefits, including paid vacation, sick pay, and health insurance for herself and her children. At the time of the interview, she was working from 11 P.M. to 7 A.M., but her shifts rotated. It took her about 30 minutes to drive to work in her own car (on which she still owed $12,000). For five months beginning in late 1997, she had a second job, as a cashier in a department store (20 hours a week at $6.86 per hour), but had quit two months before the interview because her 60-hour workweek in the two jobs left no time for herself and her family.

Yvonne's wages were the primary source of household income. More than a year earlier, she had left welfare on her own accord because she had hated being on welfare. No one in the household received food stamps, SSI, or other cash assistance, nor did Yvonne participate in the Women, Infants, and Children (WIC) program. She had claimed the EITC on her most recent tax return and, in the month before the interview, had received a $1,000 refund and had used it to pay bills.

While Yvonne was at work, her children were cared for primarily by a babysitter, but the children's grandmother also provided about 15 hours of care per week. Despite the fact that Yvonne received a child care subsidy, her child care expenses were still $500 per month. She said that it was difficult to find someone trustworthy to take care of the children, although she had used the same babysitter for about a year.

Although Yvonne and her children were all in good health and did not have any unmet health care needs, she was at high risk of clinical depression (possibly stemming from the recent death of her partner). She was also very dissatisfied with the family's current standard of living. Her main worries at the time of the interview centered on housing. Her apartment had numerous deficiencies — including plumbing, heating, and electrical problems — and she reported that the neighborhood experienced gang violence. She was looking for a new place to live but said that she was having trouble finding better housing that she could afford.

Given that Yvonne was supporting her mother and two kids, her earnings of $17,000 a year placed the family below 130 percent of the federal poverty line for a family of four in 1998. Even so, Yvonne did not receive food stamps, perhaps because the value of her car made her ineligible or perhaps because she chose to avoid public assistance.

shown in tables). This is not consistent with the literature on employment among welfare recipients, which suggests that job loss and multiple jobs are common (Strawn and Martinson, 2000). For example, in their study of a national sample of welfare recipients who got jobs, Rangarajan, Schochet, and Chu (1998) found that over a two-year period about 55 percent had had multiple employment *spells*; a "spell" was considered to be any period in which the person was employed continuously, and thus a spell could involve more than one job.[21]

Figure 1 shows that currently employed women who had high work stability had one thing in common with women whose work stability was low: The majority in both groups had held only one job in the previous 24 months. By contrast, women in the moderate-stability group were more likely than the others to have had multiple jobs — and were especially more likely to have had four or more jobs.[22] Carmen, the survey respondent described in Box 2, exemplifies a moderate-stability worker who had held more than one job.

The ethnographic case studies include several high- and moderate-stability respondents with multiple jobs.[23] For example, Marcia, a mother of two from Philadelphia, had a work history filled with ups and downs. When first interviewed in 1997, she reported years of cycling in and out of low-level jobs but was currently on welfare. Several months later, Marcia began working on a lunch truck that she had recently inherited after her husband's death, but that job lasted only a month and a half because she could not afford to stock the truck adequately and she could not get a prime street location from the city and therefore had few customers. After several months without employment, she began a part-time housekeeping job and, six weeks later, took a second job as a personal care assistant to supplement her earnings. Within two weeks, the combination of the two jobs had proved too much, and Marcia quit the housekeeping job in favor of the second job, which offered more hours and paid more than she had ever made: $8.29 per hour. Citing difficulty with coworkers, she quickly quit this job and again became unemployed. Several months later, she found a part-time job as a home health aide. While she was working part time, she managed to find a better location for her lunch truck, and she applied for and obtained the licenses needed to get that business going again.

Another example from the ethnography is Rosario, who had been on and off welfare since arriving in Miami about 10 years ago and had bounced from one temporary job to the next. She worked mostly in short-term factory jobs that paid near the minimum wage and offered no benefits. She worked at one of these jobs (in a jewelry factory) over a three-year period but, as a temporary employee, was frequently laid off. Like many of the ethnographic respondents who moved from job to job, Rosario had done so through involvement with a temporary employment agency.

In summary, the majority of working women in the survey sample had reasonably stable employment histories and had mostly worked in a single job in the two years before the interview rather than "churning" in and out of jobs. In general, employment stability among survey respondents appears to have been greater than has been typically found, a fact that is particularly

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[21] In the Urban Change sample, only 16 percent of the women who had worked (who were disproportionately in the moderate-stability group) had multiple employment spells as defined by Rangarajan, Schochet, and Chu.

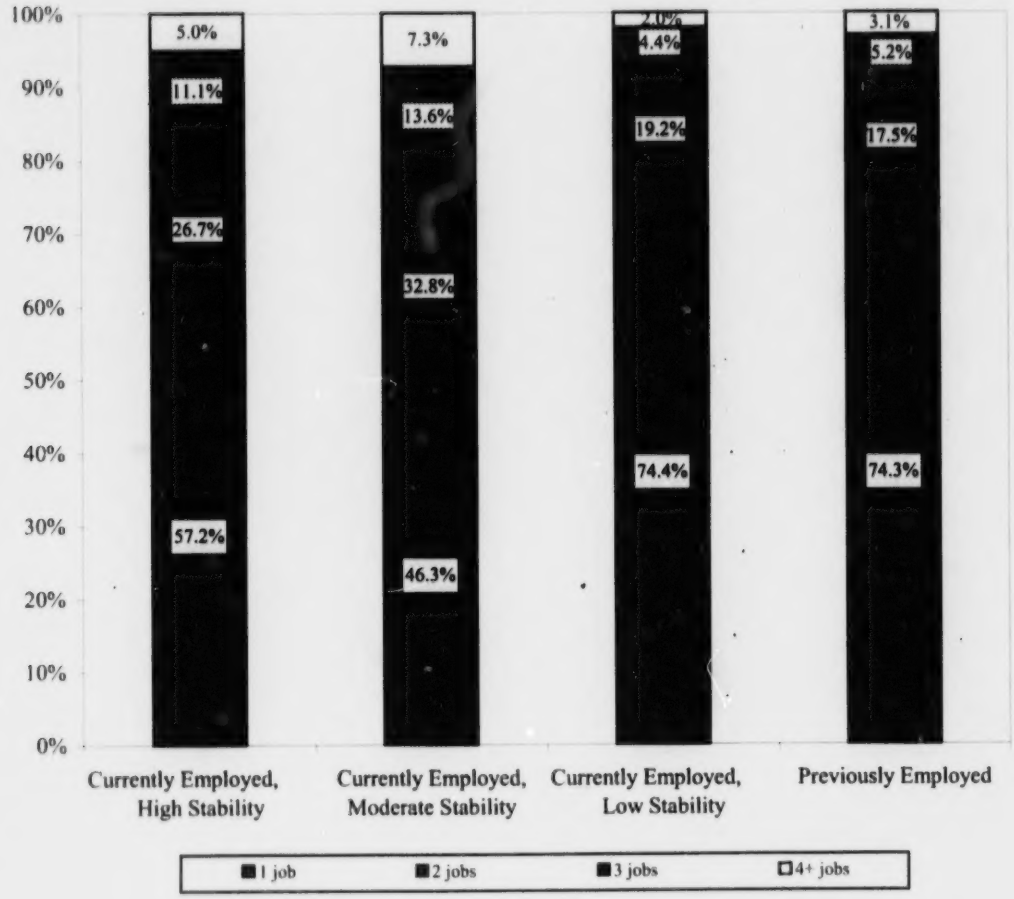
[22] A similar pattern of multiple jobs among those with moderate employment stability was also observed among women in the NEWWS study (Martinson, 2000).

[23] In the ethnographic component, we collected life histories of employment, rather than limiting the questions to a two-year window.

**The Project on Devolution and Urban Change**

**Figure 1**

**Number of Jobs in the Past 24 Months, by Employment Status and Stability[a]**




(continued)

**Figure 1 (continued)**

SOURCE: MDRC calculations from the Urban Change Respondent Survey.

NOTE: Calculations for this table used data for all sample members in the 1998-1999 Urban Change Respondent Survey who had worked in the 24 months prior to interview.

Rounding may cause slight discrepancies in sums and differences.

[a]Women in the Urban Change sample were categorized into one of the four groups based on their self-reported work status at the time of the interview and employment history over the previous 24 months. Low stability was defined as paid employment in fewer than 7 of the previous 24 months (less than 25 percent of the sample); moderate stability, as 7-18 months (25 percent to 75 percent); and high stability, as 19-24 months (more than 75 percent). Previously employed women had worked in the two years prior to the interview but were not working when interviewed.

**Box 2**

## Carmen: A Survey Respondent with Moderate Employment Stability

Carmen, a 26-year-old Hispanic woman who was born and raised in Miami, was interviewed in September 1998. She had not received a high school diploma or GED certificate and had no formal training certificates. At the time of the interview, she was living with her father (who had recently moved in) and her three children, ages 7, 6, and 11 months. Carmen had never been married; the father of her 6-year-old son had been jailed within the previous year, and she received no child support for any of her children.

Carmen first began to work in 1986, when she was 14 years old. In the two-year period prior to the interview, she had held two jobs. The first, from August 1996 to August 1997, was a 30-hour-per-week job that paid $6.50 per hour for doing clerical work in a real estate agency. She quit that job when she was seven months pregnant. Between the two jobs, the welfare agency required her to participate in a GED preparation program, but five months after her baby was born, Carmen took the job that she held at the time of her interview. In the current job, she was working 40 hours per week as a receptionist and was earning $260 per week after taxes, without any fringe benefits. It took her 15 minutes to drive to work in her car (she had used the prior year's income tax refund to help pay for the car). Altogether, she had worked 16 of the 24 months prior to the interview.

Except for food stamps valued at $249 per month, Carmen's modest wages were the only source of income for her family of five, who consequently were living below the official poverty line. When she started her current job, the welfare agency said that she no longer qualified for cash benefits. Although she was receiving Medicaid for herself and her children when interviewed, she had gone without any insurance for three months in the past year (a period when she had delivered a baby). Carmen claimed that the welfare agency had not offered to help her find or pay for child care when she stopped getting cash benefits. She was receiving WIC benefits but had no housing or utility assistance. Consequently, her housing costs ($730 per month) were relatively high in proportion to her monthly income ($1,800).

All three of Carmen's children were cared for by her father when she worked, and she paid him a nominal amount ($10 a month). Her two oldest children were in school, and she reported that her 6-year-old son had at one point been suspended. An additional concern was the health of her infant son, who had required hospitalization after he was born but whose health she characterized as being "fair."

Although Carmen's apartment was in a better neighborhood than Yvonne's (see Box 1) and appeared to have fewer health and safety problems, the family lived in very crowded conditions; Carmen shared four rooms with her two sons, her daughter, and her father. Moreover, the high cost of the apartment may have contributed to constraints on her food budget: The family was rated as being food insecure but without hunger.

Carmen was in good health but was at moderate risk of clinical depression. Her major challenges in finding a better job were the lack of education credentials and the complexities of arranging care for three young children at home — children who appeared to have some health and behavioral problems. If transitional Medicaid ends and isn't replaced by health insurance from Carmen's employer, the family's hardships could increase.

striking given the neighborhoods from which the sample was drawn. However, a substantial percentage of these women had low to moderate stability; as discussed later, these women held different kinds of jobs and had substantially more challenges to employment than did women who achieved highly stable employment.

### B. What Kinds of Jobs Did These Women Hold?

Prior research suggests that women who have received public benefits such as welfare and food stamps tend to find low-wage jobs without fringe benefits (see, for example, Acs and Loprest, 2001; Rangarajan and Wood, 2000). The Urban Change survey obtained detailed information about women's jobs to determine whether their employment situations were similar to those of women in earlier studies, and the ethnographic study obtained rich data about what it is like to be in such situations.

- **Over half the working women in the survey had been in their current job for more than a year.**

The job characteristics of the women's current job at the time of the interview are presented in Table 3.[24] Altogether, over half the working women in the survey had been in their jobs for 13 months or more, and, on average, they had been in their current job for about two years (although the *median* length of time in that job was 14 months).[25] Currently employed women in the high-stability group had been in their job for, on average, a full three and a half years (median of two and a half years), and nearly two-thirds had been in the same job for over two years — a rather substantial degree of job stability. Women in the moderate-stability group had been in their current job for an average of nine months, which is consistent with the fact that over half of them had held two or more jobs. Most women in the low-stability group had started their current job within three months of the interview. (See, for example, the story of Charlotte, the survey respondent described in Box 3.)

Although job stability is often considered desirable, it should be noted that such stability among these women sometimes means staying in inadequate jobs. For example, Eileen, an ethnographic respondent from Philadelphia, followed brief stints at a gas station and a factory with a job at a laundromat, where she remained for three years. When she started this job, her weekly take-home pay averaged $174. Despite the fact that Eileen's boss recently told her that she was "sent by God" to him and credits her for increasing the profitability of the business (she pushed for new seating, a fresh coat of paint, and other improvements), she did not receive a raise in the years she worked there and was not offered any fringe benefits. To make matters worse, the heavy lifting and 10-hour shifts associated with the job proved hard on her health. In October 2000, she was hospi-

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[24] Approximately 11 percent of the women in the survey sample were holding more than one job at the time of the interview. Among these women, the job described in Table 3 refers to the job at which they worked the most hours (their primary job). If the women worked an equal number of hours at two jobs, the primary job was considered to be the one at which they had worked longer. Women with the highest employment stability were especially likely to be holding more than one job (16 percent), and those with the lowest stability were least likely (3 percent). Note that some of the women whose "primary" job was part time were actually combining two part-time jobs and thus worked full time, although this is not reflected in Table 3.

[25] The mean is higher than the median because a small number of women had been in their current jobs for 10 or more years.

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**Table 3**

**Job Characteristics of Currently Employed Women, by Employment Stability[a]**

| | All Currently Employed | High Stability | Moderate Stability | Low Stability |
|---|---|---|---|---|
| Median number of months in current job | 14.0 [f] | 29.0 | 9.0 | 2.0 |
| Average number of months in current job | 26.9 *** | 43.2 | 8.9 | 2.6 |
| Employed less than a month (%) | 4.0 *** | 1.3 | 3.6 | 14.1 |
| Employed 1-3 months (%) | 16.0 *** | 5.8 | 16.1 | 52.9 |
| Employed 4-12 months (%) | 26.7 *** | 11.6 | 51.4 | 33.0 |
| Employed 13-23 months (%) | 19.1 *** | 19.3 | 28.7 | 0.0 |
| Employed 24 months or longer (%) | 34.2 *** | 62.0 | 0.2 | 0.0 |
| Median number of hours worked per week | 40.0 [f] | 40.0 | 40.0 | 36.0 |
| Average number of hours worked per week | 35.3 ** | 35.7 | 35.7 | 33.3 |
| Works less than 35 hours | 33.2 *** | 30.9 | 32.7 | 42.7 |
| Works 35-49 hours | 55.1 ** | 56.7 | 56.9 | 46.1 |
| Works 50+ hours | 6.6 | 7.1 | 6.2 | 5.4 |
| Has worked full time at the same job fo at least 12 months[c] (%) | 36.6 *** | 54.6 | 21.8 | 0.0 |
| Median hourly wage ($) | 7.00 [f] | 7.50 | 6.75 | 6.35 |
| Average hourly wage[d] ($) | 7.63 *** | 8.14 | 7.21 | 6.65 |
| Hourly wage = $5.15 per hour (%) | 13.2 *** | 10.0 | 14.3 | 21.9 |
| Hourly wage $5.16 - $7.50 per hour (%) | 45.9 *** | 41.4 | 51.1 | 51.7 |
| Hourly wage > $7.50 per hour (%) | 40.9 *** | 48.5 | 34.6 | 26.4 |
| Median weekly earnings ($) | 250.00 [f] | 271.75 | 242.00 | 210.00 |
| Average weekly earnings ($) | 270.50 *** | 292.48 | 257.36 | 219.47 |
| Less than or equal to $150 per week (%) | 18.9 *** | 15.7 | 17.6 | 32.5 |
| $151 to $250 per week (%) | 31.2 ** | 28.3 | 36.1 | 31.7 |
| $251 to $400 per week (%) | 36.0 | 38.0 | 35.8 | 29.8 |
| More than $400 per week (%) | 13.9 *** | 18.0 | 10.5 | 6.0 |
| Earnings and poverty (%) | | | | |
| Earnings below poverty line | 65.7 *** | 60.8 | 68.6 | 77.4 |
| Earnings 100% to 185% of poverty line | 27.9 ** | 30.8 | 26.4 | 20.4 |
| Earnings above 185% of poverty line | 6.4 *** | 8.4 | 5.0 | 2.3 |
| Fringe benefits (%) | | | | |
| Sick days with pay | 43.7 *** | 52.0 | 37.2 | 25.2 |
| Paid vacations | 52.9 *** | 60.3 | 49.2 | 31.6 |
| Medical benefits for respondent | 45.0 *** | 52.8 | 40.0 | 25.7 |
| Medical benefits for children | 34.8 *** | 39.1 | 32.8 | 22.3 |
| Training/tuition reimbursement | 23.9 *** | 28.3 | 20.5 | 14.5 |
| None of these fringe benefits | 39.1 *** | 29.8 | 45.3 | 62.7 |

(continued)

**Table 3 (continued)**

| | All Currently Employed | High Stability | Moderate Stability | Low Stability |
|---|---|---|---|---|
| Works regular day shif [c] (%) | 68.0 | 70.0 | 65.4 | 66.1 |
| Works regular evening or night shif [c] (%) | 13.2 *** | 10.3 | 17.5 | 14.8 |
| Works varied/rotating shift (%) | 18.2 | 19.1 | 16.7 | 17.9 |
| Works other shift (%) | 0.6 | 0.6 | 0.4 | 1.2 |
| Uses public transportation to get to work (%) | 33.2 *** | 28.1 | 37.5 | 43.7 |
| Drives own car to work (%) | 40.5 *** | 47.1 | 35.8 | 26.1 |
| Average number of minutes to commute to wor | 29.1 *** | 27.2 | 30.2 | 34.0 |
| Sample size | 1,951 | 1,075 | 579 | 297 |

SOURCE: MDRC calculations from the Urban Change Respondent Survey.

NOTES: Calculations for this table used data for all sample members in the 1998-1999 Urban Change Respondent Survey who were currently employed. The sample sizes for individual outcomes may fall short of the reported sample sizes because of missing or unusable items from some interviews.

Rounding may cause slight discrepancies in sums and differences.

The numbers shown are not statistically adjusted. An analysis of variance and chi-square tests was applied to test the significance of group differences. Statistically significant levels are indicated as *(0.05), **(0.01), or ***(.001).

[a]Women in the Urban Change sample were categorized into one of the three employment stability groups based on their self-reported work status at the time of the interview and employment history over the previous 24 months. Low stability was defined as paid employment in fewer than 7 of the previous 24 months (less than 25 percent of the sample); moderate stability, as 7-18 months (25 percent to 75 percent); and high stability, as 19-24 months (more than 75 percent). Previously employed women had worked in the two years prior to the interview but were not working when interviewed.

[b]Respondents who reported more than one job at the time of the interview were asked to identify their primary job, and these characteristics apply to that job.

[c]A job was considered "full time" if the respondent was working at least 35 hours per week when interviewed.

[d]Some respondents (N = 14) were paid per job/piece.

[e]Regular day shifts begin and end between 6 A.M. and 6 P.M. Evening shifts begin and end between 2 P.M. and midnight. Night shifts begin and end between 9 P.M. and 8 A.M. (U.S. Department of Labor, Bureau of Labor Statistics, 2001).

[f]Significance tests were not computed for medians.

talized for dehydration, malnutrition, and a respiratory infection, which she felt resulted from the fact that the work was "exhausting" and she had no break time in which to eat while at work. Once she was stuck by a hypodermic needle left in a dryer and had to pay for HIV testing every few months, and yet her boss refused to provide her with gloves to protect her hands. Eileen said that she stayed at this job because she didn't have the time to search for a better one.

Another example from the ethnography is Tamara from Cleveland, who worked in the laundry room of a nursing home and earned only $5.75 per hour without any benefits. She continued in that job throughout the first year of the study, at least in part because it had a night-shift schedule that allowed her to care for her sick mother during the day.

- **Most women in the survey who worked, regardless of their employment stability, were in full-time jobs.**

The majority of survey respondents in all three employment stability groups worked full time in their current job (that is, worked 35 hours per week or more). Nearly two-thirds of those in the high-stability group were working full time, and more than half had been in the same full-time job for a year or more. Full-time employment has generally been found to be the norm in other studies of former welfare recipients (Acs and Loprest, 2001). It is noteworthy — especially considering that the vast majority of these women still had children at home — that about 6 percent of the women had jobs where they were working 50 or more hours weekly at their main job.

It should also be noted that 11 percent of the currently employed women held more than one job (not shown), and thus the figures in Table 3 slightly underestimate the total number of hours these women worked per week. An additional 1 percent of the women who are shown in Table 3 as working part time combined two jobs that resulted in full-time employment. And some 6 percent of the women who worked full time in their main job also worked a second job. More than half of the women who had more than one job worked 50 or more hours per week (not shown).

Weekly work schedules of more than 40 hours might be extremely difficult to maintain over time, especially when the worker has sole responsibility for her home and children. For example, one year into the study, Marcia, the ethnographic respondent from Philadelphia described earlier (who ended up self-employed with a lunch truck), had previously worked full time as a personal care attendant (at $8.29 per hour) and also worked part time as a housekeeper (at $6.25 per hour). She worked a total of 60 hours each week. Although she felt she needed the income from both jobs to make ends meet, this work schedule proved too difficult to sustain:

> It was hard . . . I was . . . running late [all the time]. I was late for the [second] job [and] I had to resign. . . . If I didn't quit . . . they would have fired me, [and] I didn't want that on my résumé. So I just resigned because it was too much for me as far as getting home, cooking, cleaning. You know, when I get home late, stuff still needs to get done. I had to do it. I [would be up until] one, two o'clock in the morning 'cause I [was] finishing [the chores]. And then [I had to try] to get up [at 5 A.M.] to get to work at 8.

Shortly after becoming a legal immigrant in 1996, Myrna, a Mexican immigrant ethnographic respondent from Los Angeles, began combining welfare with a part-time job working the graveyard shift at Target. She stayed at Target until 1999, and during that time her hours varied from full time (during the holiday season) to only 10 or 15 hours per week. The wages were also

quite low, beginning at $6.05 per hour and ending at $6.95. In February 1998, Myrna was briefly laid off, and so she signed up with a temporary employment agency that assigned her to a plastics factory in Orange County. Though Target put her back to work within the space of a month, she continued to combine that part-time work with the full-time temporary assignments offered by the agency, each lasting about a month. While juggling two jobs, Myrna had months in which she worked 76-hour weeks. The extra money was a welcome addition to the household budget, but she repeatedly complained of exhaustion and felt that she needed medical attention. Her Catch-22 was that she couldn't see a doctor because she had been cut off of Medi-Cal. (Myrna's Medi-Cal eligibility is discussed in Section IV.)

Yvonne, the survey respondent profiled in Box 1, also found that she had to quit one of the two jobs she held because she did not have enough time to juggle all her responsibilities while working 60 hours each week.

- **The majority of women worked in low-wage jobs, with earnings that would typically put them below the official poverty level.**

An hourly wage of $7.50 in a 35-hour-per-week job (52 weeks per year) would yield income just at the 1998 poverty level ($13,650 per year) for a family of three.[26] In the Urban Change sample, the average hourly wage in the women's current job was just above this $7.50 figure ($7.63), although the median was much lower at $7.00 per hour.[27] The average wage in this sample is similar to that reported in the recent follow-up study of welfare recipients in New Jersey, where the average hourly wage (in the spring of 2000) was $8.15[28] (Rangarajan and Wood, 2000). Among Urban Change respondents, hourly wages ranged from under $1 per hour (mostly for babysitting) to nearly $25 per hour,[29] but very few women (3 percent) earned $15 per hour or more. Interestingly, the women's hourly wages were totally unrelated to the length of time they had held their current jobs ($r = .01$).

Wages were significantly different in the three employment stability groups. Half the women with the most stable employment were earning more than $7.50 per hour, but only a minority of women in the other groups were earning this much. The average hourly wage of women in the high-stability group was about 25 percent higher than that of women in the low-stability group ($8.14 and $6.65, respectively).[30] There are many possible explanations for this pattern.

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[26] In the Urban Change survey sample, the mean family size was four; the 1998 poverty threshold for a family of four was $16,450. Wages would need to exceed $9.04 per hour in a year-round 35-hour-per-week job to yield above-poverty-level earnings for a family this size.

[27] Women were asked how much they made in the current job and could report wages in any unit (hourly, weekly, etc.); they were then asked whether the wages were before or after taxes. Based on this information, an hourly pretax wage was estimated.

[28] The hourly wage of $8.15 in 2000 would translate to about $7.74 in 1998 dollars.

[29] For example, one woman earned $23.55 per hour working in an advertising firm, where she had begun working over five years earlier.

[30] It should be noted that the average hourly wage of full-time workers in the sample, regardless of employment stability, was significantly higher than that of women working fewer than 35 hours per week ($7.37 versus $7.07, respectively).

One is that women in poorly paid jobs tended not to stay in them,[31] perhaps because the earnings didn't compensate for the additional costs associated with working or perhaps because they believed that, in the strong economy, they could easily leave a low-paying job to deal with family crises and then find another comparable job. Another possibility is that women with low employment stability tended to also be less productive or less skilled workers and thus were not able to command a high wage in the labor market. A third possibility is that the women who stayed in their jobs got raises or promotions that afforded them a higher wage (although the absence of a correlation between hourly wage and length of time on the job would not suggest this). Finally, as documented later in this report, women in low-stability jobs faced greater challenges to employment, and this may have made it difficult for them to sustain their low-wage jobs.

Based on both hourly wages and weekly work hours, the women in the survey sample earned, on average, $271 per week before taxes (the median weekly pay was $250). These average earnings would translate to $14,000 for full-year employment — just above the official federal poverty threshold for a family of three in 1998 (and well below the threshold for a family of four).[32] Average weekly earnings ranged from a low of $220 for workers in the low-stability group to a high of $293 for those in the high-stability group. Yvonne (Box 1) is an example of a respondent with above-average weekly earnings ($332) in her job as a health aide. The majority of women in the high-stability group (58 percent) had weekly earnings in excess of $250, but only one out of five earned more than $400 per week.[33]

As shown in Table 3, about one-third of the women in the low-stability group had weekly earnings of $150 or less. Charlotte, described in Box 3, was one such woman, earning $130 weekly. Karen, the ethnographic respondent from Cleveland who is profiled in Section I, is another example of a low-stability worker with relatively low average earnings. At the time of her first interview, Karen had cycled through a number of temporary factory jobs that she had found through a local temporary employment agency; the last job had paid $6 per hour. At the first interview, she had just begun a spell of unemployment that lasted six months (during which she collected cash welfare and food stamps). The employment agency then found her a factory job paying $7.50 per hour, and, for the first time, Karen actually felt that she was better off financially than she had been on welfare. However, Karen had to leave the job because of serious health problems.

Considering both earnings and family size, 66 percent of the women in the survey sample were working in jobs that, if sustained for a full year, would leave their families below the poverty line, unless they had additional sources of income. Only a small minority (7 percent) had earnings that would lift their families above 185 percent of poverty. And only 8 percent of the women in the high-stability group had earnings that would place them above this near-poor threshold.

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[31] This explanation has some support in the literature. In their national longitudinal study of welfare recipients who found jobs, Rangarajan, Schochet, and Chu (1998) found that women whose initial jobs were higher-paying tended to have longer average employment spells than women whose jobs paid less, even after controlling for educational background.

[32] Of course, some of these families had other income sources beside the women's earnings. Total household income of these women is discussed in Section III.

[33] As a comparison, the median weekly earnings of all full-time female workers age 16 and older was $418 in 1996 and $491 in 2000 (U.S. Department of Labor, Bureau of Labor Statistics, 2001). Among all full-time workers in the Urban Change survey, the median weekly earnings in 1998-1999 were $280.

- **About 40 percent of the women in the survey were in jobs without any fringe benefits; fewer than half had employer-provided health insurance.**

Fringe benefits are critical factors in working women's ability to support their families. For mothers who are managing both parenting and work responsibilities, paid vacation days and sick days are vitally important (for example, to take time off to care for sick children), and health benefits can ensure that mothers and children obtain needed medical care. Health benefits also prevent families with health problems from running up high medical debt. For example, ethnographic respondent Coleen, from Miami, is a high school graduate who worked steadily since completing school. None of her jobs offered health benefits, however, so she went on welfare and Medicaid toward the end of her pregnancy to pay for the birth. Coleen used her time on welfare to complete a community college course that earned her a dietary aide certificate. After graduation, Coleen landed a full-time, $8-per-hour job in her field. Because her employers considered her a "temporary" employee, however, she was not offered benefits. Thus, like several other ethnographic respondents employed in the health care industry, Coleen could not afford to receive care in the hospital in which she worked. While holding this job, several trips to the emergency room incurred medical debt that she has had difficulty paying off.

In the survey sample, 39 percent of the women who were currently working were in jobs that offered none of five fringe benefits specified in the survey (paid vacation, sick pay, health insurance for the woman, heath insurance for her children, and paid tuition or training).[34] By contrast, only 14 percent of the currently employed had jobs that offered all five benefits, ranging from 8 percent for women with low employment stability to 17 percent for those with high stability (not shown). For any particular benefit, only about 24 percent to 50 percent of the women said that their job offered it; those with high employment stability were most likely to be in jobs that offered benefits, as shown in Table 3.

Consistent with national trends, paid vacation was the most frequently reported fringe benefit, cited by 53 percent of currently employed Urban Change women. This is a substantially smaller percentage than workers nationally: 95 percent of full-time workers in medium to large private establishments got paid vacations in 1997, according to data from the Employee Benefit Survey (U.S. Department of Labor, Bureau of Labor Statistics, 1999). Even among full-time workers in the Urban Change sample, only 68 percent got paid vacation, as shown in Figure 2.[35]

Some 44 percent of the currently employed women in the Urban Change survey had a job with paid sick days, and among full-time workers, 55 percent had this benefit. As shown in Figure 2, this is about the same as national levels: 56 percent of full-time workers in medium to large firms got sick pay nationally in 1997 (U.S. Department of Labor, Bureau of Labor Statistics, 1999).

Even if employers offer vacation or sick days, however, ethnographic data suggest that some employers may make it difficult, if not impossible, to claim them. Consider the case of Tina (from Philadelphia), a high-stability worker who held a job as a hotel housekeeper at the time of her first interview. She said that she had taken the job partly because it offered paid vaca-

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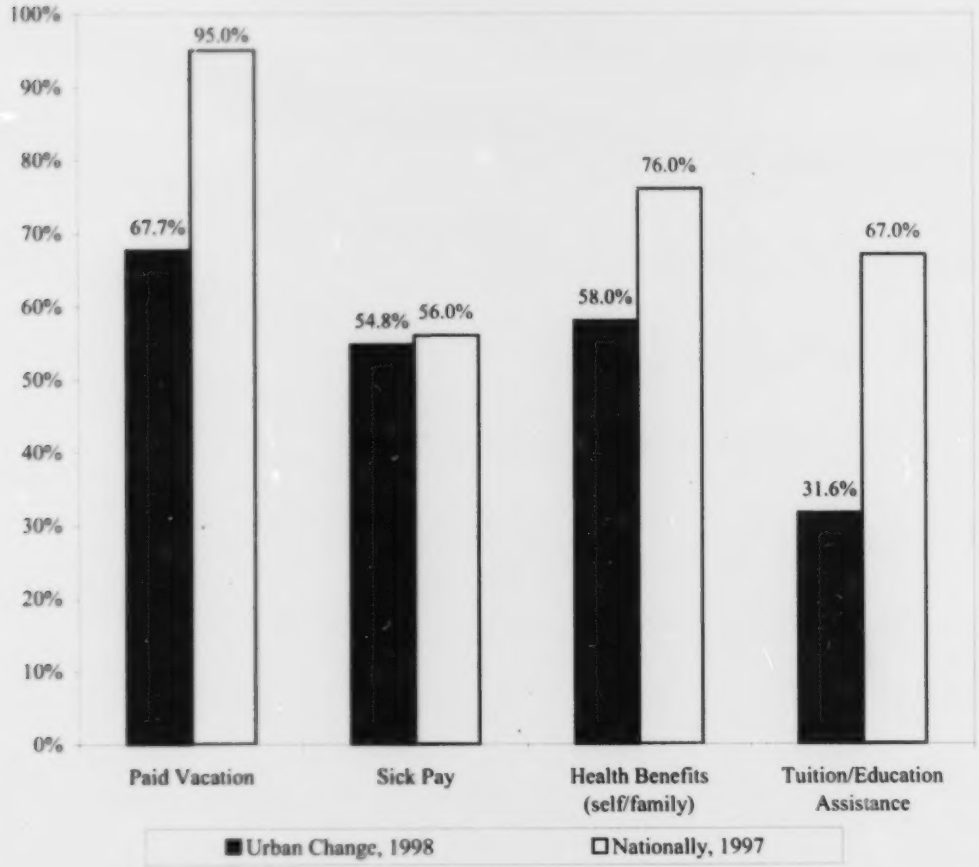
[34]The survey asked respondents about fringe benefits that they were offered at their current or most recent jobs, not whether they had actually received these benefits (for example, whether their jobs paid for sick leave, not whether they had actually taken a sick day).

[35]Among the women in the Urban Change survey sample who had held their full-time jobs for at least one year, only 70 percent got a paid vacation.

**The Project on Devolution and Urban Change**

**Figure 2**

**Fringe Benefits of Full-Time Workers in Urban Change and Nationally**




SOURCES: MDRC calculations from the Urban Change Respondent Survey and the 1997 Employee Benefits Survey (U.S. Department of Labor, Bureau of Labor Statistics, 1999).

NOTES: Calculations for this table used data for all sample members in the 1998-1999 Urban Change Respondent Survey who were working at least 35 hours per week when interviewed.

Rounding may cause slight discrepancies in sums and differences.

tion and sick days, at least on paper. However, she said that when she tried to claim her vacation, she was "hassled" by the management. She also injured her back on the job, but her employer told her that she could not miss a day of work to seek medical attention. After a year and a half on the job, she had not been granted one sick or vacation day. She says that her frustration over the management's unwillingness to grant her the benefits that she was promised — together with her 90-minute commute each way to work — motivated her to quit the job.

About 45 percent of the currently employed women in the survey sample had jobs that offered them health insurance, but only about one out of three reported employer-based insurance for their children.[36] Among the three stability groups, the percentages with personal health insurance through employers ranged from 26 percent among women with low employment stability to 53 percent among those with high employment stability. Only 58 percent of *full-time* workers had medical benefits for *either* themselves or their children (see Figure 2), compared with 76 percent of full-time workers employed by medium to large private establishments nationally in 1997 (U.S. Department of Labor, Bureau of Labor Statistics, 1999). However, it should be noted that some studies of former welfare recipients have found even lower rates of employer-based insurance than was true in this study.[37]

Ethnographic data show that some families may not take up employer-provided insurance *even when it is offered* because they cannot afford the copayment required by the employer. For example, Debbie, a high-stability worker from Cleveland, moved from a series of part-time jobs to a full-time job at the Bureau of Workman's Compensation. Although the employer offered to insure her, this firm, like many of the ones the ethnographic respondents worked in, required a copayment, which Debbie felt she could not afford. Initially, Debbie was able to maintain Medicaid eligibility for herself and her children. This transitional benefit was crucial to her ability to sustain employment: One of Debbie's children was severely brain-damaged due to a lack of oxygen at birth, and this child required frequent medical attention. Debbie worried about what would happen when the family's transitional medical benefits lapsed. Between her wages, the wages of her husband (who lived with her), SSI for her daughter, and the EITC, Debbie's finances had improved since she had left welfare. However, a significant medical emergency could change that. She said: "Everything is comfortable except for the medical. I wish I [could] do a little better, as far as the medical, 'cause it's real important."

Few working women were in jobs that offered training or tuition reimbursement (24 percent overall and 32 percent among women who worked full time). Figure 2 shows that 67 percent of the full-time employees working in medium to large firms nationwide in 1997 received job-related educational assistance (U.S. Department of Labor, Bureau of Labor Statistics, 1999).

Some women, of course, had found jobs that offered both benefits and a fairly decent wage. Susan, a high-stability worker from Cleveland, was working full time as a medical assistant in a large group practice of primary care physicians for $9.23 per hour, a wage that put her family above the poverty line (but still below 185 percent of it). Nevertheless, the job had unusual advantages because it offered medical, dental, vacation, and retirement benefits. Susan's employer also reimbursed her for tuition and allowed her to work a somewhat flexible schedule so she could take classes. She was continuing with her education, in hopes of becoming a regis-

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[36]Health care coverage other than employer-based insurance is discussed in Section IV.

[37]For example, Loprest (1999), using data from a national survey conducted in 1997, reported that less than a fourth of former welfare recipients worked in jobs with health insurance, despite typically working full time.

tered nurse. Susan felt that on balance she and her family benefited from her full-time work. In reflecting on her current situation, Susan said: "It's a lot better. Um, we're not scrimping and saving as we were, I mean it's still . . . well, it can get tight at times, but . . . um, we're like not havin' to report every single thing." Susan represents a "success story," but she faced many fewer challenges to employment than other women in the ethnographic sample (see Section III).

In summary, for every fringe benefit examined, the Urban Change respondents who worked full time were worse off — often substantially so — than full-time workers nationally. Benefits were most common among the women in the high-stability group, but it is unclear whether their job tenure led to their eventually qualifying for benefits or whether they were more likely to stay in their jobs because they *had* benefits.[38] Women might be less likely to leave jobs with benefits because they value such jobs; but they might also be less likely to *lose* jobs with benefits because, for example, having sick pay means that a worker may be less likely to be fired for being out sick.

- **Most women worked in low-skill service sector or sales-related jobs.**

The current jobs of women in the survey were primarily in the service sector (43 percent) and in sales (15 percent). In fact, more than half the women (54 percent) were in 10 specific occupations: housecleaner, maid, or other cleaning occupation; cashier; health/nursing aide; child care worker/babysitter; food preparation; secretary; retail sales; office clerk; guard; and hairdresser (all not shown in tables). Those with the greatest employment stability were just as likely as women with less stability to be in such low-skill occupations as cleaning, child care, clerical, and food preparation, and they were no more likely to be secretaries or health aides — two of the occupations that paid slightly better than average. Women in the high-stability group were, however, less likely to be working as a cashier or in retail sales, which tended to pay poorly.

Unfortunately, data in the survey did not provide information on whether the women were working in formal (that is, "on-the-books") jobs or informal ("under-the-table") jobs that they did not officially report.[39] Some off-the-books work undoubtedly was captured in the survey (for example, babysitting), but some likely went unreported, especially if the work was not legal. The ethnography, however, includes reports about many informal jobs.[40] To offer one example, Ye, a Cambodian immigrant living in Los Angeles, had never worked formally and felt that she could not get a formal sector job because she spoke no English. Since arriving in the United States, Ye had supplemented her income from welfare with occasional off-the-books piecework, which paid from 40 to 60 cents per garment for finishing a hem or placing a zipper. However, Ye missed several appointments with her caseworker because of health problems; also, because she viewed her lack of English as a virtually insurmountable barrier to formal sector work, she saw

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[38]There is some support for the latter explanation in the literature. In their study of welfare recipients who found jobs using national longitudinal data from the NLSY, Rangarajan, Schochet, and Chu (1998) found that recipients whose initial job offered fringe benefits subsequently had longer average spells of employment than those whose initial job did not offer benefits, even after controlling for background characteristics.

[39]Ten percent of the women described themselves as self-employed, and many of these jobs were likely informal (for example, babysitting, doing hair, housecleaning). Women in the low-stability group were most likely to be self-employed, followed closely by women in the high-stability group.

[40]Under-the-table jobs captured in the ethnographic data included a broad range of jobs, such as telemarketing, sewing, delivering pizzas, bartending, managing an informal restaurant out of one's kitchen, selling marijuana, and hawking prescription drugs on the black market.

**Box 3**

## Charlotte: A Survey Respondent with Low Employment Stability

Charlotte, a 35-year-old African-American woman from Cleveland, was interviewed in April 1998. She had dropped out of school after finishing ninth grade, when she was 16, and had last attended school in 1979. Her first paid employment had been in 1981, the year that her first child was born, but she had little recent work experience. Her four children were ages 17, 13, 12, and 6, and she was divorced (having been married in 1986, shortly after the birth of her third child).

Five months before her interview, Charlotte had returned to welfare following the divorce. The welfare agency required her to participate in job club and independent job search. She had taken a job as a cashier in a department store three months before the interview — a job to which the welfare agency had referred her. She worked five evenings a week (from 5 P.M. to 10 P.M.) at $5.20 per hour and received no sick pay or health benefits. She rode the bus to work, a 15-minute commute from her home. Her current job was the only job that she had held in the two years prior to the interview. She said that she had taken this job, which paid lower than she would have otherwise accepted and which had inconvenient hours, specifically because of the time limits on welfare (31 months remained on her time-limit clock when she was interviewed).

Charlotte and her children were in good health and, at least in the short run, had Medicaid benefits. However, even the combination of work and welfare left the family well below the official poverty line. In the prior month, Charlotte had earned $570 at her job and had received $193 in welfare benefits and $374 in food stamps. Annualized, this put the family below 50 percent of the poverty line. Fortunately, Charlotte's public housing expenses were low ($113 per month), but with four children to feed and clothe, her family nevertheless experienced hardships, including food insecurity. She had also accumulated over $10,000 of debt and was being hassled by collection agencies.

Charlotte's limited work experience and lack of education credentials were not her only barriers to self-sufficiency. In particular, the responsibilities of caring for four children — some of whom had academic and behavioral problems — posed challenges. At the time of her interview, she relied on the older children to care for their 6-year-old sister but admitted that there were times when the child was left alone to care for herself. She also had worries about neighborhood violence: One of her children had recently been attacked, and her oldest son had himself been in trouble with the police. Charlotte said that she would prefer not to work so that she could take care of her family. Although her evening job may have helped Charlotte avoid child care costs, it was also problematic, because she was unable to monitor the activities of her teenage children.

little use in attending job club. For these infringements, she was sanctioned[41] by her caseworker. To make up for the loss of the adult portion of her welfare benefit, Ye tried to find work but often went three to four months without a job. When she was able to find work, she was often held

[41] Under PRWORA, welfare agencies may reduce or eliminate the cash grant if a recipient fails to meet participation requirements. This practice is called "sanctioning."

to a strict deadline, which meant long hours in front of the sewing machine while trying to fulfill her other household responsibilities. The pressure associated with her intense work episodes might have contributed to Ye's high blood pressure and other health problems:

> I do everything at the same time. When my kids are home, I stop [sewing] and start cooking for them. When I sew I still try to watch [my kids] and tell them what to do. . . . Sometimes when they are asleep, I sew till midnight. . . . When I lack of sleep and sit too long at the sewing machine, my blood pressure goes up and I have dizzy spells. I don't think I will live a long life.

- **Only about two-thirds of the women in the survey worked a regular day shift, and many had schedules that varied.**

The survey also asked about job characteristics that could have implications for the women's family responsibilities, such as time the job started and ended and how long it took to get to work. Table 3 shows that about two-thirds of the women had regular day jobs (completely between the hours of 6 A.M. and 6 P.M.). This is consistent with what has previously been found among former welfare recipients (Loprest, 1999; Rangarajan, 1998; Rangarajan, Schochet, and Chu, 1998), but it is substantially different from what is true nationally for full-time women workers. According to the Current Population Survey, in 1997, nearly 9 in 10 women workers (86 percent) had a regular daytime schedule (U.S. Department of Labor, Bureau of Labor Statistics, 2001). Only 7 percent of women nationally were working an evening or night shift, compared with 13 percent of currently employed women in the Urban Change sample. Women with the highest employment stability were least likely to work an evening or night shift.

Particularly noteworthy is the fact that nearly 18 percent of the working women in the sample had a schedule that varied or was irregular, compared with about 6 percent of women nationally (U.S. Department of Labor, Bureau of Labor Statistics, 2001). Yvonne, the high-stability respondent profiled in Box 1, is an example of a woman who worked a rotating shift, which was made possible because her mother lived with her and could be flexible in caring for her preschool-age children.

Several of the ethnographic case studies make it clear that nontraditional and/or irregular schedules posed challenges in arranging child care and in performing other family management tasks, such as scheduling doctor visits. For example, Rosario, from Miami had turned down a graveyard-shift hospital job because of problems finding nighttime care for her 8-year-old daughter (who has asthma). Karen, a low-stability worker from Cleveland, worked the second shift for several months. While she was still working at this job, she noted that the schedule did not work well for her family:

> When I'm going to work . . . they're just . . . coming in from school. They haven't made it [home] yet. And when I get off work, it's like twelve midnight then. They in the bed, you know? So I really didn't see 'em much. . . . I would call home on a break and they ke[pt] telling me I need to find another job . . . that's got better hours . . . 'cause they rarely see me.

During the period of time that Karen worked the second shift, both of her children's grades dropped dramatically, and both failed to get promoted to the next grade.

Some women, however, prefer an evening or night shift because it allows them to be home in the afternoons with their children. For example, Angela, a low-stability worker from the ethnographic sample in Los Angeles, got married to her youngest son's father just as she began the interviewing process. Although she stopped receiving cash benefits for herself and her youngest child, she continued to receive welfare benefits for two children from a prior marriage. Angela stayed at home with her youngest child (who had both emotional and cognitive problems) until 1999, when she took a part-time job cleaning office buildings at night. She liked the job because her husband worked the day shift and could be home with the children while she worked.

Another example is Tamara, a high-stability worker in Cleveland, who said that she preferred working the third shift because it allowed her to care for her very ill mother during the day. Her mother's kidney failure required that she be taken to dialysis three times a week. While Tamara worked nights, her mother, who lived next door, was able to provide the minimal supervision that the sleeping children required, and she would help them get ready for school in the morning. However, the ethnographic interviewer expressed great concern about Tamara's mental and physical health, describing her as being in "terrible shape" because of the effects of sleep deprivation and the stress of working late hours, caring for her sick mother, and raising her three children.

- **Driving to work was most common among high-stability workers, while low-stability workers were most likely to rely on public transportation.**

Transportation to work varied considerably in relation to employment stability. Almost half the high-stability group (47 percent) drove their own car to work, while only one in four (26 percent) of the low-stability group did so. Low-stability workers were especially likely to rely on public transportation (44 percent). Only 43 percent of survey participants lived in a household with a car, ranging from 57 percent of the high-stability group to 35 percent of the low-stability group (not shown).

Transportation was an important issue for many of the ethnographic respondents. For example, Rosario, a moderate-stability ethnographic respondent from Miami, had held a job on and off for three years as a certified nurse's assistant, providing home daycare. In that job, she earned the minimum wage and got no benefits working through an agency that employed her when it had the clients. Rosario had to use her own car to get to clients' homes, so when she had a car accident, she was unable to continue working for the agency.

In contrast, Barbara, a high-stability ethnographic participant from Miami, had a better-paying job with more regular hours and was able to repair her car when necessary and thus maintain her job, even in the face of car problems. Five months after her first interview, Barbara began working for the U.S. Postal Service as a full-time "casual" (temporary) employee for $10 per hour. She stayed at that job for the next two years and even received a raise. However, a neighbor once asked to borrow Barbara's car, and when she refused, he lashed out. Barbara reported:

> Everybody think I'm making a lot [of money] . . . they say, "Oh, Barbara at the Post Office now, she making plenty of money." . . . I'm not making any money, [I get] $300 plus take out what the government's taking out, I'm not going to be making anything. Yeah . . . that's why that man did that to my car. They flat all four my tires. They kicked my two side mirrors off. They rip my windshield wipers off. They sucked the gas out of my tank. . . . Because I wouldn't let the guy

[use] my car. I know he did it, but you know, by the grace of God, I'm going to keep on going. The devil ain't going to stop me.

Barbara's experience may be an extreme case. However, the respondents in this study could seldom afford housing that included a garage, and to the extent that there were higher rates of car theft and vandalism in their neighborhoods, the Urban Change women may have faced increased risk of car problems.

- **Commuting time to work averaged around a half hour for women in the survey, but those using public transportation endured longer commutes.**

For women in the survey sample, commuting from home to work took, on average, 29 minutes one way, with times ranging from no commute time (for those 5 percent of women who worked at home) to two hours or more.[42] Some 74 percent of these women reported that it took them a half hour or less to get to work, but a noteworthy minority (13 percent) said that it took them an hour or more each way (not shown). Differences in the commuting time among the three employment stability groups were significant, with the shortest average commuting time being found among women in the high-stability group — that is, the group most likely to drive to work. The mean commuting time for women who drove to work was 22 minutes, compared with nearly twice as long (42 minutes) for those who relied on public transportation (not shown); in sum, those who depended on public transportation spent nearly an hour and a half each day, on average, in transit alone.

Several ethnographic cases speak to the difficulties these long commutes impose on the working poor. For example, Tina had to leave her home in northwest Philadelphia at 6 A.M. to make it to the hotel housekeeping job she took on the far South Side, near the airport, by 8 A.M. Because of this two-hour commute each way, Tina's older daughter, a high school student, was responsible for getting her young siblings ready for daycare and getting them onto the daycare van (which cost Tina $50 per week) when it came. The van was frequently late, which thus delayed the older daughter's own departure for school, making her tardy. Tina, who was combining work and welfare because the financial incentives and her low wages continued to make her eligible for welfare, worried that school officials might report her daughter's repeated truancy to the welfare office, which could, in turn, result in a sanction.

In summary, most working women in the Urban Change sample had jobs that would make self-sufficiency difficult. Women with high employment stability were in much better jobs than other women: As a group, they had higher earnings, more often received fringe benefits, had better work schedules, and had better transportation. It is, of course, impossible to determine from these data whether their employment stability and commitment enabled them to eventually secure more adequate jobs — or whether having better jobs in the first place made them less likely to leave the labor force. However, it is crucial to note that even among these women, who had worked virtually all the preceding two years, only half had jobs that offered health insurance, and most were in jobs with earnings that would keep their families below poverty. These women were, by most standards, "playing by the rules," but they were nevertheless struggling.

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[42]The survey question was: "How many minutes does it take you to get to this job? That is, how long does it take you to travel from your front door to the door of your work, one way?"

### C. Why Were Previously Employed Women No Longer Working?

As noted earlier, other studies have consistently shown that welfare recipients who get jobs tend not to sustain them. Currently employed workers in this study were much more likely to be stably employed, with only 15 percent falling into the low employment stability group. However, this figure overestimates employment instability in the sample because it does not include workers who no longer had jobs. (Employment stability may also be underestimated, because it is not known how long the women who were currently employed will stay in their jobs. In other words, the survey data are truncated; more information on employment stability will be available after the second round of survey data have been collected.)

- **Half the survey women who had left employment had worked in six or fewer months of the two years before the interview.**

Table 4 reveals that among *all* women who had worked at any point in the two years prior to the interview, some 27 percent had held jobs in six or fewer months. About half the respondents who were no longer employed were women who, had they been interviewed at the time of their most recent job, would have been classified as low-stability workers. Only a small minority (11 percent) were high-stability workers who happened to be out of the workforce at the time of the interview.

Nearly 75 percent of the previously employed women had held only one job in the prior two years. The median time lapse between the end of their most recent job and the interview date was six months; 27 percent had left their job within three months of the interview date, and nearly as many (25 percent) had left more than a year earlier (not shown).

- **Previously employed women had left jobs that were substantially worse than the current jobs of women who were working.**

Table 4 compares the job characteristics of currently employed women (current jobs) with those of previously employed women (most recent jobs). The differences are striking: Previously employed women had been in jobs that were substantially worse than the jobs held by women still working. Women who no longer worked tended to have left low-paid jobs (with an average hourly wage of $6.53 and a median wage of $6.00)[43] that offered no benefits, despite the fact that the majority had worked full time. Nearly a third had been in jobs that paid at or below the current minimum wage, and a full 77 percent had been in jobs without any fringe benefits. Four out of five of these previously employed women had had earnings that would place them, in the absence of other income, below the federal poverty limit. They were also significantly less likely than currently employed women to have worked the day shift, and they were much more likely to have relied on public transportation.

It is noteworthy that, at the time of the survey, the jobs that unemployed women had recently left were even less desirable than the jobs of low-stability workers who were working.

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[43]Part of the difference in the average hourly wages of currently employed ($7.63) and previously employed ($6.53) women can be attributed to the fact that 1998-1999 wages for the currently employed are being compared with 1997-1998 wages for the previously employed. However, average hourly wages over this one-year period increased by only about 3 percent nationally, and the same minimum wage of $5.15 had been in effect since 1996.

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Table 4

## Employment Among Currently Employed Women Compared with Women Who Worked in Prior Two Years but Were No Longer Employed

| | All Women Who Worked | Currently Employed | No Longer Employed |
|---|---|---|---|
| Employment stability (%) | | | |
| Worked in = 6 months of 2-year period | 26.8 *** | 15.2 | 52.9 |
| Worked in 7-18 months of 2-year period | 31.6 ** | 29.7 | 35.8 |
| Worked in 19-24 months of 2-year period | 41.6 *** | 55.1 | 11.2 |
| Number of jobs in past 24 months (%) | | | |
| Had 1 job | 62.2 *** | 56.6 | 74.3 |
| Had 2 jobs | 24.2 *** | 27.4 | 17.5 |
| Had 3+ jobs | 13.6 *** | 16.0 | 8.3 |
| Average number of months in job | 24.0 *** | 26.9 | 17.5 |
| Average hours worked per wee | 34.9 ** | 35.3 | 33.8 |
| Working/worked full time, 35+ hours per week (%) | 60.5 | 61.7 | 57.9 |
| Average hourly wage[a] ($) | 7.27 *** | 7.63 | 6.53 |
| Hourly wage at or below minimum wage of $5.15 (%) | 18.5 *** | 13.2 | 29.8 |
| Average weekly earnings ($) | 253.48 *** | 270.50 | 217.33 |
| Earnings below federal poverty limit (%) | 70.7 *** | 65.7 | 81.3 |
| Earnings above 185% of poverty limit (%) | 5.2 *** | 6.4 | 2.7 |
| Fringe benefits (%) | | | |
| Sick days with pay | 33.9 *** | 43.7 | 13.5 |
| Paid vacations | 40.9 *** | 52.9 | 15.8 |
| Medical benefits for responden | 35.3 *** | 45.0 | 15.0 |
| Medical benefits for childre | 27.2 *** | 34.8 | 11.1 |
| Training/tuition reimbursemen | 18.2 *** | 23.9 | 6.3 |
| None of these fringe benefits | 51.5 *** | 39.1 | 76.7 |
| Works/worked a regular day shift (%) | 65.5 *** | 68.0 | 59.9 |
| Uses/used public transportation to get to work (%) | 37.1 *** | 33.2 | 45.7 |
| Sample size | 2,860 | 1,951 | 909 |

SOURCE: MDRC calculations from the Urban Change Respondent Survey.

NOTES: Calculations for this table used data for all sample members in the 1998-1999 Urban Change Respondent Survey who had worked in the 24 months prior to interview. The sample sizes for individual outcomes may fall short of the reported sample sizes because of missing or unusable items from some interviews.

Rounding may cause slight discrepancies in sums and differences.

The numbers shown are not statistically adjusted. An analysis of variance and chi-square tests was applied to test the significance of group differences. Statistically significant levels are indicated as *(0.05), **(0.01), or ***(.001).

[a]Some respondents (N = 14) were paid per job/piece.

[b]Regular day shifts begin and end between 6 A.M. and 6 P.M. Evening shifts begin and end between 2 P.M. and midnight. Night shifts begin and end between 9 P.M. and 8 A.M. (U.S. Department of Labor, Bureau of Labor Statistics, 2001).

Comparing job characteristics for the two groups (the previously employed in Table 4 and currently employed low-stability workers in Table 3), we find that women who were no longer working were more likely to have earned the minimum wage or less (30 percent versus 22 percent) and to have held jobs without any fringe benefits (77 percent versus 63 percent).

It should also be noted that employment stability was a far less critical factor in differentiating job quality among the previously employed than it was among the currently employed. Among previously employed women, even those who had had stable employment tended to have especially poor-quality jobs. For example, 73 percent of the women who were no longer working but who had worked at least 19 of the prior 24 months had had earnings that were below poverty — similar to the 76 percent for whom this was true among currently employed women who had worked in 6 or fewer months (not shown). Only 22 percent of previously employed women with at least 19 months of work in the prior two years had been in jobs that offered health insurance, which is even lower than the 24 percent with insurance among low-stability currently employed women and substantially lower than the 53 percent with insurance among high-stability currently employed women (not shown). This suggests that although employment stability is generally associated with better jobs, staying employed does not always lead to increased wages or benefits.

For example, Myrna, an ethnographic respondent from Los Angeles, went on welfare in 1992, after her husband left her to raise her three children alone. She took a job in December 1996 after obtaining legal U.S. residency, and she remained steadily employed until December 1999, when she was laid off. Myrna had been employed in a number of jobs during this period, combining a part-time job at Target with a series of short-term factory jobs that she had obtained through two temporary employment agencies. Because temporary employment typically offers no benefits and Target refused to give her the full-time hours she desired, Myrna received no health benefits during this period, and she reported that she had been neglecting her health as a result.

- **Women in the survey who were no longer working were as likely to have had a job end as to quit the job.**

When asked about leaving their most recent job, previously employed women typically said that they had quit (47 percent) or that their job had ended (27 percent); both firings and layoffs were reported by 13 percent of these women (not shown).[44] These rates are similar to rates that have been reported for national samples of women who have received welfare (Rangarajan, Schochet, and Chu, 1998). In the Urban Change sample, previously employed women who had worked 19 or more months were as likely to have quit their jobs as those who had worked in only 6 or fewer months — *and* just as likely to have had their jobs simply end, suggesting that job security is not an issue only for women in short-term jobs.

Previously employed women who voluntarily left their jobs cited a variety of reasons, the most common being inadequate pay (11 percent of those who quit). The median hourly wage for those who cited this as their reason for quitting was $5.15 per hour — the legal minimum wage at

[44]Previously employed women, however, were less likely to have quit their most recent job than the currently employed women with a prior job; 59 percent of currently employed women said that they had quit the job they had held before their current one. Previously employed women were about twice as likely as the current workers with a prior job to have been fired (13 percent versus 7 percent, respectively).

the time. Other common reasons for quitting included personal health problems or an injury (10 percent); interpersonal conflicts with coworkers or their boss (10 percent), child care problems (9 percent), a recent birth or pregnancy (9 percent), and transportation problems (8 percent).[45]

When asked why they were not working at the time of the interview, previously employed women were most likely to say that they had not been able to find another job (32 percent).[46] The majority (61 percent) said that they were actively looking for work, and most of these job-hunters either were seeking full-time work (61 percent) or said that they would take full-time or part-time employment (26 percent).

In the four Urban Change sites, unemployment rates in 1998 ranged from 4.4 percent in central Cleveland to 8.4 percent in central Philadelphia; in all sites except Cleveland, the unemployment rates exceeded the national average of 4.5 percent. In the poor neighborhoods from which the samples were drawn, however, unemployment rates were even higher than for the cities as a whole. Thus, despite a generally good economy, the ethnographic respondents often reported difficulties finding employment. Marcia, a moderately stable worker from the ethnographic sample in Philadelphia, described the difficulty she had finding work during her eight weeks of welfare-mandated job search:

> How can [welfare] say, "Just go to work"? Tell me, what am I going to put on this application? . . . What am I going to put on here to make these people hire me if I have no schooling . . . no experience. I was looking for jobs . . . everywhere. . . . It's embarrassing. It is humiliating. You know, you get discouraged. These people want experience. . . .You got to . . . lie, . . . make up something, if you want a job.

Marcia's experiences are echoed by many respondents in the ethnographic sample. However, as was true for the survey respondents (discussed below), once women were employed, those who switched jobs tended not to spend much time unemployed between job spells unless other factors, such as health problems, interfered.

- **Few previously employed women in the survey had applied for unemployment benefits; only a third of those who applied for benefits received them.**

Women in the survey were asked if they had applied for unemployment insurance (UI) benefits when they left their most recent job. Among previously employed women, only 19 percent said that they had applied for these benefits when their most recent job ended, and, of those who applied for benefits, only one-third got them. In other words, only 6 percent of women who had left a job within the two-year period were able to access UI benefits. In the month prior to the interview, only 3 percent of the women who were no longer working reported UI benefits as a source of income (not shown).

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[45]By contrast, currently employed women who had held a previous job and quit it were most likely to say (23 percent) that they had left to take a new job (that is, their current job). The second most common reason for quitting their prior job, however, was low pay (13 percent). Previously employed and currently employed women were equally likely to have quit a job because of problems getting along with their coworkers or bosses (10 percent).

[46]In addition to problems finding work, previously employed women cited such obstacles as inadequate child care (14 percent), personal health problems (9 percent), and a pregnancy or recent birth (8 percent).

Women who did not apply for UI benefits were asked why they hadn't. The most typical response among the previously employed was that they had not been on the job long enough to qualify for benefits (36 percent). Other common reasons were that the women did not know that they might be eligible for benefits (15 percent) or that they simply did not go to the welfare office to claim them (12 percent).

### D. What Happened When Women Changed Jobs?

Periods of unemployment between jobs can have drastic effects on the financial circumstances of low-income families — especially for workers who no longer had welfare as a safety net. Yet job changes can also be beneficial, if workers are moving into better jobs. As previously noted, the majority of women who had worked had held a single job in the two years prior to the survey, but about 38 percent had held two or more jobs in that period. Table 5 presents information about the job transitions of women who were currently employed but had changed from one job to another at least once over during the prior two years.[47] Below we describe the timing of employment transitions, and then changes in hourly wages, hours worked, and weekly earnings.

- **Time between jobs for women in the survey was usually not long, but a noteworthy minority had gone more than six months before finding their current job.**

Among survey respondents, the time elapsed between the women's current job and their previous job typically was not substantial. For those who changed jobs, the median period without work was two months. Some 16 percent of the women who had changed jobs — disproportionately the women who were in the high-stability group — had overlapping transitions, meaning that they had started the new job *before* leaving the old job. Another 23 percent of the women had taken their current job in the same month that they had left a prior job, and, again, women who had worked the most months were especially likely to have moved out of one job directly into another. Some 19 percent of the women were unemployed more than six months between jobs; this was true for about one-third of the women in the low- and moderate-stability groups.

Periods of nonemployment among currently employed women in the Urban Change survey sample were substantially shorter than in earlier studies of welfare recipients, perhaps reflecting changes in the economy. For example, in a study using national longitudinal data, Rangarajan, Schochet, and Chu (1998) found that only 30 percent of those whose unemployment spell ended found another job within three months but that nearly 40 percent had had a spell of nonemployment that lasted more than one year. It is important to remember, however, that the survey data are truncated — that is, they do not give a particularly long view of employment and unemployment spells. Previously employed women, who made up 32 percent of the women who had worked, had already gone an average of six months since their last job ended, and the ultimate length of time between jobs for these women is not yet known.

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[47] Given survey data for only 24 months of employment history, information on job transitions is fairly limited. Of the 1,951 currently employed respondents, 847 (43 percent) had held more than one job in the previous 24 months. Of those, 279 (33 percent) took on another job and either still had both jobs at the time of the interview or had left the second job before leaving the first job; thus they never transitioned from one job to another. Table 5 describes the remaining 567 women (29 percent of the currently employed women), who had made at least one job transition.

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**Table 5**

**Employment Patterns Among Currently Employed Women with at Least One Job Transition in the 24 Months Prior to Interview, by Employment Stability[a]**

| | All Currently Employed Women with Job Transition(s) | High Stability | Moderate Stability | Low Stability |
|---|---|---|---|---|
| Median number of months between most recen and prior employment spell | 2.0 [f] | 1.0 | 4.0 | 5.0 |
| Average number of months between most recen and prior employment spell | 4.3 *** | 1.3 | 5.5 | 8.2 |
| Overlapping transitio [c] (%) | 16.0 *** | 26.6 | 10.8 | 0.0 |
| Transitioned from one job to the next in the same month (%) | 22.9 *** | 31.3 | 17.8 | 13.8 |
| 1-2 months between jobs (%) | 23.3 | 26.2 | 19.7 | 27.7 |
| 3-6 months between jobs (%) | 19.2 | 15.9 | 21.6 | 21.5 |
| More than 6 months between jobs (%) | 18.5 *** | 0.0 | 30.1 | 36.9 |
| Median number of months between most recen and prior employment spell | 2.0 | 1.0 | 4.0 | 5.0 |
| Average hourly wage, first job[d] ($) | 6.94 | 7.24 | 6.69 | 6.97 |
| Average hourly wage, current job[d] ($) | 7.63 *** | 8.39 | 7.22 | 6.62 |
| Hourly wage increased between first and current job (%) | 63.9 * | 70.7 | 59.3 | 59.3 |
| Hourly wage decreased between first and current job (%) | 29.9 | 23.9 | 33.0 | 37.3 |
| Average hours per week, first job | 35.3 | 35.7 | 35.8 | 32.4 |
| Average hours per week, current job | 35.7 | 36.8 | 35.2 | 34.0 |
| Hours per week decreased between firs and current job (%) | 34.2 | 33.5 | 36.0 | 30.0 |
| Part-time status increased to full-time status between first and current job[e] (%) | 20.7 | 23.3 | 19.4 | 16.9 |
| Average weekly earnings, first job ($) | 245.67 * | 262.96 | 240.19 | 212.64 |
| Average weekly earnings, current job ($) | 275.77 *** | 311.35 | 257.38 | 225.21 |
| Weekly earnings increased between firs and current job (%) | 59.2 | 65.4 | 54.8 | 55.9 |
| Changed industry between first and current job (%) | 62.4 | 64.1 | 62.3 | 56.9 |
| Changed occupational class between first and current job (%) | 52.2 | 47.6 | 54.7 | 58.5 |
| Sample size | 567 | 233 | 269 | 65 |

(continued)

**Table 5 (continued)**

SOURCE: MDRC calculations from the Urban Change Respondent Survey.

NOTES: Calculations for this table used data for all sample members in the 1998-1999 Urban Change Respondent Survey who were currently employed and transitioned from one job to another at least once during the 24-month period prior to the interview. Many women took temporary jobs, which did not qualify as a separate employment spell. The sample sizes for individual outcomes may fall short of the reported sample sizes because of missing or unusable items from some interviews.

Rounding may cause slight discrepancies in sums and differences.

The numbers shown are not statistically adjusted. An analysis of variance and chi-squared tests was applied to test the significance of group differences. Statistically significant levels are indicated as *(0.05), **(0.01), or ***(.001).

[a]Women in the Urban Change sample were categorized into one of the three employment stability groups based o their self-reported work status at the time of the interview and employment history over the previous 24 months. Low stability was defined as paid employment in fewer than 7 of the previous 24 months (less than 25 percent of the sample); moderate stability, as 7-18 months (25 percent to 75 percent); and high stability, as 19-24 months (more than 75 percent). Previously employed women had worked in the two years prior to the interview but were not working when interviewed.

[b]Only those with a spell of nonemployment (no job overlap) are included in this average.

[c]These women are not included in the average above.

[d]Some respondents (N = 14) were paid per job/piece.

[e]A job was considered "full time" if the respondent was working at least 35 hours per week in that job.

[f]Significance tests were not computed for medians.

- **Wage growth between jobs was generally noteworthy; wage loss was most common among women with the least work experience.**

Among currently employed women who had had more than one job in the two-year period, the average hourly wage for the first job held was $6.94, and it increased to $7.63 for the current job.[48] This 10 percent increase is larger than has been reported for similar populations in earlier research. For example, one study of welfare leavers based on national data found that median wages increased by only about 8 cents a year over a five-year period (Cancian, Haveman, Meyer, and Wolfe, 2000).

In the present study, patterns of wage change were significantly different among the three employment stability groups. On average, job-changers who had worked in at least seven of the previous 24 months (that is, those in both the moderate- and the high-stability groups) saw increases in their hourly wages — a 16 percent increase in the high-stability group and an 8 percent increase in the moderate-stability group. But among women with six or fewer months of work, wages actually declined by an average of 35 cents an hour — a loss of nearly 5 percent. Nearly one-third of the workers in the survey who had changed jobs — disproportionately those in the low-stability group — had a decline in wages.

Based on data from the ethnography, it seems possible that the survey did not always pick up wage fluctuations.[49] Myrna, a high-stability worker from Los Angeles, had combined a part-time night job at Target with dozens of short-term, full-time job assignments through temporary employment agencies. Sometimes a new placement meant an increase in wages, and sometimes it meant a decline. Between July 1999 and the summer of 2000, for example, a temp agency placed Myrna in a four-month job in a warehouse, packaging toys and books for $8.10 an hour. The agency then assigned her to another warehouse job at E-Toys, where she earned $7.00 per hour. That job ended after two months when the Christmas rush was over. The agency didn't give her another assignment until February, this time at a factory job that paid only $6.50 per hour and lasted two months. Myrna referred to her various assignments from this agency as a single job rather than three jobs. It is not clear how a survey respondent would have reported jobs obtained through a temporary employment agency — that is, whether a woman working at, say, a factory job through a temp agency would have reported the employment agency or the factory as her employer.[50]

- **Women in the survey who changed jobs generally moved to jobs with the same — or more — weekly hours.**

Women who changed jobs worked more hours, on average, in their current than in their first job of the two-year window. Only about one-third of the women changed to jobs with fewer hours. About one out of five job-changers moved from part-time to full-time work. Changes in hours were fairly uniform across the three employment stability groups.

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[48]Unfortunately, the survey did not gather information about the starting wages of jobs, so it is not possible to know whether the current job paid more than the earlier job at the time the women took their current job.

[49]For further discussion of wage instability based on the ethnography, see Scott, Edin, London, and Kissane, 2001.

[50]Only about 35 women said that their current or most recent job was with a company that could be identified as a temporary agency.

The ethnographic data suggest that many of the women who entered the labor market over the period of the study are powerfully motivated to find full-time employment, because they feel that they cannot hope to sustain themselves on part-time earnings once welfare ends (see Quint et al., 1999). Those with part-time jobs sometimes doubled up, working two part-time jobs and hoping that one of the jobs would become full time. Debbie, an ethnographic respondent from Cleveland, initially combined a part-time telemarketing job selling home security systems with a part-time job in a doctor's office as a medical assistant. Neither job paid very well, and neither offered medical benefits. Thus, she kept looking for a full-time job. When offered a full-time job doing medical billing for the Bureau of Workman's Compensation, Debbie left her part-time jobs. Michelle, from Los Angeles, was an exception to this rule; she maintained a steady part-time job at an arts and crafts supply store so that she could attend cosmetology school full time. Michelle claimed that she could afford not to work full time because of the free housing that her father provided and the child care voucher that she received from the welfare office.

- **Among the women in the survey who changed jobs, weekly earnings increased by an average of 12 percent, reflecting changes in both weekly hours and hourly wages.**

Because women in the survey who changed jobs tended both to work more hours and to have higher hourly wages in the current job than in their earlier job, their average weekly earnings increased from $246 to $276 — a 12 percent increase over a relatively short period of time. Women in all three employment stability groups experienced an average earnings increase, ranging from 6 percent ($213 to $225) among women with the fewest months of employment to 18 percent ($263 to $311) among women with the most months. Thus, even though job-changers with low employment stability were paid less per hour, on average, in their current job than in their previous job, they were able to increase their weekly earnings by working more hours. Other studies of welfare recipients have similarly found that, over time, earnings do grow and that much of this growth reflects increased hours or weeks worked rather than increased wages (see, for example, Cancian, Haveman, Meyer, and Wolfe, 2000; Rangarajan, Schochet, and Chu, 1998). However, while *average* earnings increased for job-changers in the study, only 59 percent of them moved into jobs with higher earnings.

Information about wage growth for women who had held only one job in the two-year period is not available because data on starting wages were not obtained. However, it is interesting to note that women who had held more than one job had similar average weekly earnings in their current job as women who had been in only one job in the two years before the interview, suggesting that moves for many job-changers were lateral. For example, the average current weekly earnings of women who had held two jobs was $275 ($7.62 per hour), compared with $269 ($7.65 per hour) among those whose current job was the only job they had held (not shown).

- **Changes in occupations and industries between jobs were prevalent.**

Women who had changed jobs typically switched to different *types* of jobs. More than half moved from one broad occupational category (for example, sales, service, administrative

support)[51] to another. Occupational changes were especially common among women with the least employment experience; 59 percent of the women who had worked in six or fewer months but who had changed jobs had switched occupations. However, even in the high-stability group, nearly half (48 percent) of the job-changers moved to a different occupation. The high rate of occupational changes is consistent with the fact that most of these women worked at entry-level jobs that did not require any specific skills or training. It also may indicate that the women were not picking and choosing between jobs but were searching widely and taking any available job, regardless of its type.[52]

Michelle, from the ethnographic study in Los Angeles, provides an excellent example of a worker with a history of jobs in a wide variety of fields. In the five years prior to her first interview in 1998, Michelle had worked as a fast-food worker, cashier, data-entry clerk, bank teller, 411 operator, and market research interviewer at shopping malls. Each job was temporary, lasting between three months and a year. However, like many workers who participated in the ethnographic study, Michelle didn't want to move from job to job forever; she wanted a career. To pursue this goal, she traded full-time temporary work for a part-time job and — because she lived with her father and had a child care voucher — was able to enroll in cosmetology school full time. She was motivated to pursue training because she wanted to eventually earn enough money "to be able to provide for myself and not hav[e] to depend on anybody." In her view, "The worst thing is having to depend on somebody to give you the things that you need."

In summary, the women in the survey who changed jobs tended to do so relatively soon after leaving their previous jobs, and they generally moved into situations with higher wages and earnings. Wage and earnings growth was not substantial, yet it was greater than has been reported in earlier studies, when the economy was less robust. It should also be remembered that the period of time over which job-changing occurred was quite short. It will be important to track wage growth more thoroughly when data from the second round of survey interviews and from the final round of ethnographic interviews become available in late 2001.

## III. Characteristics and Life Circumstances of Women with Different Employment Experiences

As we have seen, the women in the Urban Change sample had a variety of employment experiences. And although the vast majority of women who had worked were quite disadvantaged, these women also brought different credentials to, and faced different challenges in, the labor market. This section describes both the life circumstances that might result from these different employment experiences and the personal challenges that might help to explain why some women were able to maintain employment and others were not.

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[51] Occupational codes (based on standard three-digit census codes) were clustered into the following six broad categories: managerial, professional, and technical; sales; administrative support/clerical; service occupations; operator, laborer, and fabricator; and all other occupations (which accounted for under less than 3 percent of current jobs).

[52] An analysis of the employment patterns of respondents in the Philadelphia and Cleveland ethnographic samples strongly bears this out (Scott, Edin, London, and Kissane, 2001).

### A. What Were the Economic Circumstances of Women with Different Employment Patterns?

One of the stated goals of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) is to move low-income parents from welfare into paid employment, and this goal is based, at least in part, on the theory that paid employment reduces poverty and material hardship. However, the Urban Change data indicate that the story is not this simple. Among Urban Change women, higher employment stability was generally associated with reduced poverty and material hardship. Based on ethnographic data, Scott, Edin, London, and Kissane (2001) concluded that better circumstances (that is, fewer material hardships) allowed women to find more stable employment *and* that paid employment reduced material hardships. Perhaps most important, though, is that even among women with high employment stability, substantial rates of poverty and material hardship remained.

- **Although employment stability was associated with higher household income among survey respondents, even the most consistent workers were still living near or below the federal poverty line (FPL).**

Survey respondents were asked about their families' income in the month before the interview. For each member of the immediate family, interviewers asked about income from employment (standardized to pretax earnings), cash welfare benefits, food stamps, child support, pensions, disability benefits, money from family or friends who lived outside the household, unemployment insurance, workers' compensation, alimony, rent from a tenant or boarder, income tax refunds, and foster child payments. Estimates here of total household income include all these sources for all family members, except for income from tax refunds.[53] On average, women who had worked had total monthly household income in the prior month of $1,409 to support four family members, and the median monthly household income was $1,187.[54] In 1998, the FPL for monthly income for a family of four was $1,392. Nearly 60 percent had household incomes that, if annualized, would have left them below the FPL, and almost 90 percent were near-poor (that is, below 185 percent of poverty).

However, there were substantial differences in household income and poverty level by employment status and stability. Table 6 shows that women in the high-stability group had, on average, total monthly household income 79 percent higher than women who had left paid employment. Figure 3 shows similar differences in poverty status by employment status and stability. Still, despite the relative advantage of the high-stability group, nearly half (43 percent) had total household incomes in the previous month that would put them below the poverty line, and the great majority (83 percent) had total household incomes below 185 percent of poverty.

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[53]This measure of household income does not capture the large majority of benefits from the Earned Income Tax Credit (EITC). Because pretax earnings are used, the portion used to offset income and payroll taxes is included here, but credit beyond the taxes owed is not. On average, for taxpayers with adjusted gross income between $10,000 and $15,000, this credit would make up more than 90 percent of the benefit (Internal Revenue Service, 2001). However, even if the full annual lump sum had been included in monthly household income, the estimate of poverty status would have changed for only 2 percent of the respondents who had worked, and this also would have distorted their actual monthly income.

[54]As noted below, women with higher employment stability were also more likely to be married, and those with working husbands would have had their husband's income included in this total.

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**Table 6**

**Economic Circumstances of Women Who Worked, by Employment Status and Stability[a]**

| | All Women Who Worked | All Currently Employed | High Stability | Moderate Stability | Low Stablity | No Longer Employed |
|---|---|---|---|---|---|---|
| Average total monthly household income ($) | 1,408.97 *** | 1,617.64 | 1,731.44 | 1,538.81 | 1,366.48 | 968.36 |
| Average number of people in the household, prior month | 4.1 ** | 4.1 | 4.0 | 4.0 | 4.2 | 4.3 |
| Household income below 50% of federal poverty line (%) | 15.6 *** | 9.1 | 8.2 | 8.1 | 14.1 | 29.5 |
| Household income below official federal poverty line (%) | 59.1 *** | 47.0 | 43.4 | 48.0 | 58.1 | 84.7 |
| Household income below 185% of federal poverty line (%) | 89.3 *** | 85.5 | 82.6 | 87.5 | 92.1 | 97.3 |
| Currently receiving welfare (%) | 43.3 *** | 32.6 | 22.8 | 38.6 | 56.2 | 66.5 |
| Left welfare within the year before the interview (%) | 14.6 *** | 15.3 | 10.6 | 21.8 | 19.5 | 13.2 |
| Left welfare more than a year before the interview (%) | 37.4 *** | 46.9 | 59.5 | 36.4 | 21.9 | 17.0 |
| Never received cash welfare (%) | 4.6 *** | 5.2 | 7.1 | 3.1 | 2.4 | 3.3 |
| Food security[b] (%) | | | | | | |
| Food secure | 52.7 *** | 55.8 | 56.8 | 56.8 | 50.0 | 46.1 |
| Food insecure without hunger | 31.6 ** | 29.8 | 28.4 | 29.9 | 34.7 | 35.4 |
| Food insecure with moderate hunger | 12.0 | 10.9 | 10.9 | 10.5 | 11.9 | 14.3 |
| Food insecure with severe hunger | 3.8 | 3.5 | 3.9 | 2.8 | 3.4 | 4.3 |
| Food insecure with no food stamps, prior month[b] (%) | 16.2 *** | 19.1 | 21.7 | 17.6 | 12.7 | 9.9 |

(continued)

**Table 6 (continued)**

| | All Women Who Worked | All Currently Employed | High Stability | Moderate Stability | Low Stablity | No Longer Employed |
|---|---|---|---|---|---|---|
| Lives in dangerous neighborhood[c] (%) | 36.6 | 35.7 | 34.2 | 36.6 | 39.6 | 38.6 |
| Homeless or sheltered in prior year (%) | 2.2 *** | 1.4 | 1.0 | 1.6 | 2.7 | 3.9 |
| Lives in a crowded household[d] (%) | 19.9 ** | 18.3 | 18.0 | 16.8 | 22.4 | 23.3 |
| Gas or electricity turned off 1 or more times in past 12 months (%) | 13.4 | 12.5 | 12.3 | 13.2 | 11.7 | 15.5 |
| Had worst-case housing needs, in prior month[e] (%) | 30.1 *** | 23.4 | 21.2 | 23.6 | 30.9 | 44.2 |
| Has 1 or more housing problems[f] (%) | 51.9 *** | 49.2 | 46.7 | 51.9 | 53.2 | 57.5 |
| Has 2 or more housing problems[f] (%) | 23.9 ** | 22.1 | 20.6 | 23.2 | 25.8 | 27.7 |
| Sample size | 2,860 | 1,951 | 1,075 | 579 | 297 | 909 |

SOURCE: MDRC calculations from the Urban Change Respondent Survey.

NOTES: Calculations for this table used data for all sample members in the 1998-1999 Urban Change Respondent Survey who had worked in the 24 months prior to interview. The sample sizes for individual outcomes may fall short of the reported sample sizes because of missing or unusable items from some interviews.

Rounding may cause slight discrepancies in sums and differences.

The numbers shown are not statistically adjusted. An analysis of variance and chi-squared tests was applied to test the significance of group differences. Statistically significant levels are indicated as *(0.05), **(0.0), or ***(.001).

[a]Women in the Urban Change sample were categorized into one of the four groups based on their self-reported work status at the time of the interview and employment history over the previous 24 months. Low stability was defined as paid employment in fewer than 7 of the previous 24 months (less than 25 percent of the sample); moderate stability, as 7-18 months (25 percent to 75 percent); and high stability, as 19-24 months (more than 75 percent). Previously employed women had worked in the two years prior to the interview but were not working when interviewed.

[b]Based on their scores on the 18-item USDA Household Food Security Scale, respondents were placed in one of the (four) food security categories shown.

[c]Respondent or child was robbed, mugged, or attacked or witnessed a violent crime in neighborhood, or gang violence was reported in neighborhood.

[d]Overcrowding is defined as having less than one room per person (not including bathrooms).

[e]Families have worst-case housing needs if they have no public housing assistance and pay more than 50 percent of their income (not including food stamps) for rent and utilities.

[f]Respondents indicated whether they had any of the following housing problems: broken windows, leaky ceilings, roaches/vermin, and problems with wiring, plumbing, heating, or appliances.

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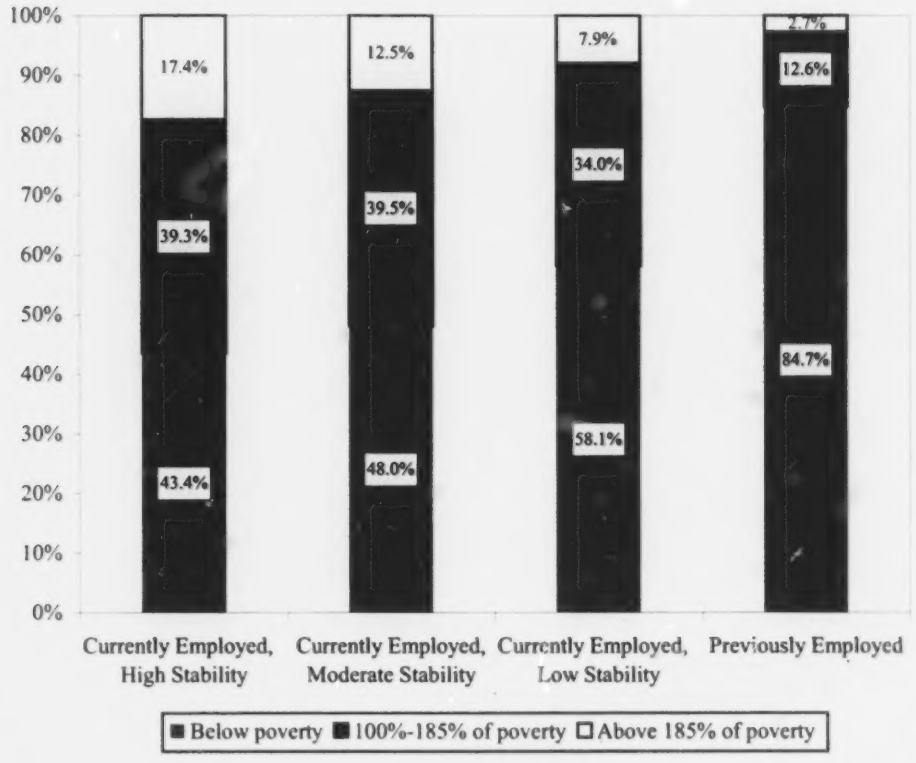
**Figure 3**

**Poverty Status, by Employment Status and Stability**




SOURCE: MDRC calculations from the Urban Change Respondent Survey.

NOTE: Calculations for this table used data for all sample members in the 1998-1999 Urban Change Respondent Survey who had worked in the 24 months prior to interview. The sample sizes for individual outcomes may fall short of the reported sample sizes because of missing or unusable items from some interviews.

Rounding may cause slight discrepancies in sums and differences.

[a]Women in the Urban Change sample were categorized into one of the four groups based on their self-reported work status at the time of the interview and employment history over the previous 24 months. Low stability was defined as paid employment in fewer than 7 of the previous 24 months (less than 25 percent of the sample); moderate stability, as 7-18 months (25 percent to 75 percent); and high stability, as 19-24 months (more than 75 percent). Previously employed women had worked in the two years prior to the interview but were not working when interviewed.

- **A noteworthy minority of working women in the survey were combining welfare and work — even among those women with high employment stability.**

Earned income disregards aim to encourage welfare recipients to work, by making work pay and facilitating the combination of work and welfare. Table 6 shows that among the women who had worked in the past two years, more than two out of five were receiving welfare at the time of the interview, and one-third of the currently employed women were also welfare recipients. Considerably fewer of the women who had worked most of the prior two years were receiving cash welfare, compared with women with less employment stability. Nevertheless, it is noteworthy that one out of every five workers with stable employment were still getting welfare rather than banking their time.[55]

Although high-enough earnings disqualify women from receiving welfare, ethnographic data suggest that welfare requirements can also interfere with employment. Danielle, a moderate-stability ethnographic respondent from Philadelphia, had a number of different low-wage jobs. At the time of her first interview, she was working part time cleaning houses for $7.50 per hour and receiving welfare, but the work was hard on her physically. About a month later, Danielle quit her cleaning job and took a full-time telemarketing job for $6.25 per hour in a nearby suburb. She continued to receive cash welfare, food stamps, and Medicaid, and she reported her earnings to the welfare department. However, Danielle believed that her layoff from this job five months later was due to her welfare caseworker's frequent need to meet with her. Once when she was called into the welfare office for a meeting, Danielle took off work and went into the office, only to be told by the caseworker that she didn't have to come in after all — the caseworker had thought that Danielle had to do job search but then realized that she had a job already. Danielle was furious that she took off work and lost that income for the day. When asked why she lost the telemarketing job, she responded:

> It was because . . . I was late every day, well not every day. I would have to keep going to welfare. I had to keep going up there for something . . . it would make it later 'cause I would still go in [to work] afterwards. It happened for like three weeks straight, he [my boss] got tired, he said, "I can't . . . I'm on a business, you do great work, I just need you here from 9 to 5, not from whenever welfare wants to let you come back out of there." I said, "I understand." He said, "I'll write them a letter to let them know, that basically it's their fault that you're losing your job."

Danielle's story suggests that while more stable and better-paying employment might well lead women to leave welfare, reporting requirements and errors at the welfare offices can also interfere with employment stability or at least push women to choose between welfare and employment.

- **Material hardships were common in all survey groups. Food security was related to employment stability, but even among the high-stability group, over 40 percent were food insecure.**

Food insecurity, a core indicator of food hardship, "exists whenever the availability of nutritionally adequate and safe foods or the ability to acquire acceptable foods in socially accept-

[55] In light of lifetime limits on cash welfare receipt, recipients may choose not to receive benefits in a particular month, in order to save that time for the future.

able ways is limited or uncertain" (Anderson, 1990, p. 1560).[56] Table 6 shows that fully 47 percent of the sample were food insecure, and 16 percent experienced moderate or severe hunger. In comparison, just over 10 percent of all U.S. households were food insecure in 1998, and only 3 percent experienced hunger (Bickel, Carlson, and Nord, 1999).

Food security was related to employment stability: 43 percent of women with moderate or high employment stability were food insecure, as opposed to 54 percent of women who no longer worked. Hamelin, Habicht, and Beaudry (1999) found food insufficiency or insecurity to be associated with fatigue, illness, and depression in adults. Thus, while better-paying and more consistent employment reduces food hardships, health problems resulting from food insecurity likely also make stable employment more difficult to maintain.

Of particular concern are women who were food insecure and not receiving food stamps. More than one in five of the respondents in the high-stability group were in this situation, compared with only one in ten of the women who were no longer employed. However, many of the women in the high-stability group may have been ineligible for food stamps. (Section IV explores differences in food stamp eligibility.)

- **Women in the survey who had more stable employment had better housing, but housing problems were widespread in all groups.**

Many Urban Change women experienced housing hardships.[57] In the survey, 52 percent had housing problems such as broken windows, leaky ceilings, or roaches; 37 percent lived in a dangerous neighborhood (that is, the respondent or her children had been victims of crime or had witnessed crime in the prior two months); and 30 percent had "worst-case housing needs" (meaning either that they did not have any rental assistance and paid more than one-half of their income for rent or that they lived in severely inadequate housing), compared with roughly 7 percent nationally.[58] One in five lived in crowded housing, defined as having less than one room per person, not including bathrooms;[59] 13 percent had had their gas or electricity shut off in the past year, because they couldn't pay their bills; and 2 percent had been homeless or sheltered in the prior year.

Consistent with other indicators of material disadvantage, housing hardships were associated with employment stability. For example, four times as many in the formerly employed group had been homeless or sheltered as in the high-stability group, and more than twice as many in the formerly employed group experienced worst-case housing needs as in the high-stability group. Differences in other kind of housing problems were not as dramatic, but still significant. Interviewers asked about other housing problems (broken windows, leaky ceilings,

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[56]Polit, London, and Martinez (2000) provide a full analysis of food insecurity among Urban Change survey and ethnographic participants.

[57]Polit, London, and Martinez (2001) provide a much more complete analysis of housing hardship among Urban Change survey and ethnographic participants. Their data illustrate how housing hardships can have an adverse effect on employment.

[58]In the late 1990s, 7.4 percent of all American families had worst-case housing needs (U.S. Department of Housing and Urban Development, 1999).

[59]For example, a single mother and two children living in a one-bedroom apartment with a kitchen and living room would not be considered to be living in crowded housing, but a single mother with three children in the same apartment would be.

roaches and vermin, and problems with wiring, plumbing, heating, and appliances), and 47 percent of the high-stability women reported one or more of these problems, compared with 58 percent of the women who were no longer employed.

Again, more stable and better-paying employment can reduce housing hardship; at the same time, housing hardship can interfere with employment. For example, having an unstable address or phone can impede contact with current or potential employers. Living in dangerous neighborhoods can make it stressful to leave home or walk to public transportation and more dangerous to leave children home alone. Similarly, crowded housing can lead to depression or other illness, thus indirectly interfering with work.[60]

Danielle's experience combining work with welfare is described above. In addition to those problems, she faced a number of housing and health challenges, which suggests a more complicated relationship between income and housing. Initially, Danielle and her two daughters lived in an apartment next to a long-abandoned building that had once been a bar. At her second interview, Danielle reported on problems with rats that forced her out of some rooms, resulting in crowding. When asked if she planned to move, she responded:

> Not really. [laughs] Well I can't afford nothin' by myself. This is the cheapest I can get, I can't afford to pay, you know, to live somewhere else. . . . I don't wanna live around here no more. But . . . if it's gotta be around here, it's gotta be somethin' other than this. Huh. Can't live like that. We're living out of the one room. 'Cause I won't let them come out here [into the other rooms where the rats are].

In the following year, Danielle worked more steadily and was able to purchase a small row house, thus making her the best-off member of her personal network and the one to whom her family members turned in times of crisis. This ultimately meant that moving did not resolve her housing problems. Although there were no rats in the new house, the basement flooded, and Danielle's extended family moved in with her, creating a new crowded situation. Around this time, Danielle left her job because of health problems and was also hospitalized for three weeks for depression, which may have been exacerbated by her housing problems.

- **Only one in five of the survey respondents who had worked faced no material hardship.**

Earlier, the indicators of material hardship were considered separately. It's crucial to note, however, that survey respondents did not generally experience material hardships one at a time but, rather, faced two of them on average (not shown).[61] In fact, only one in five of the women who had worked faced none of these forms of material hardship. In the high-stability

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[60]Crowding has been linked to higher rates of infectious disease (Elender, Bentham, and Langford, 1998; Fall et al., 1997) and depression (Sadowski et al., 1999).

[61]The eight material hardships used in this index include: food insecurity, receipt of emergency food in prior month, spends more than 50 percent of income (including food stamps) on housing, has two or more housing problems, had utilities turned off in past 12 months, has two or more neighborhood problems, witnessed a violent crime in the neighborhood, and homeless or sheltered in past 12 months.

group, three-quarters faced at least one form of material hardship, and of those who were previously employed, almost nine out of ten faced at least one form of material hardship.

The story of Tina, a high-stability worker from the ethnographic sample, provides a glimpse at the combination of these hardships. Tina's wages put her family below the poverty threshold, and she had no health benefits. She found her job cleaning houses through a temporary employment agency and, over a year's time, was earning about $14,000 before taxes — well below the poverty line of $22,050 for a family of six in 1998. She was better off than most of the ethnographic respondents because she had a Section 8 housing subsidy, which limited her rent to 30 percent of her income. Even so, she had difficulty paying her bills and providing for her children's needs. What follows is her description of the hardships she experienced in the months just prior to her second interview, after she had held the job for quite some time:

> We went . . . without coats [this winter]. We [tried] to use their coats . . . from the year before . . . but they had . . . grown out of those coats. Boots. We needed boots. We never got boots 'cause I just didn't have the money to get [them]. I had to pay down the bills . . . so that was more important. . . . [All last year,] it was either buy one person one thing, and forgo four other people, [or] two people get somethin' and [the] other two have to wait 'til the next time.

### B. What Were the Backgrounds and Other Life Circumstances of Women with Different Employment Patterns?

Analyses of the Urban Change ethnographic data suggest that women have wanted to work but that low human capital, parenting responsibilities, and health problems have been significant barriers to employment (London, Scott, Edin, and Hunter, 2001; Scott, Edin, London, and Mazelis, forthcoming; Scott, London, and Myers, forthcoming, 2002). Among survey respondents, those with high employment stability came from substantially more advantaged backgrounds and life circumstances than women with less employment stability. Also, women who had not worked faced significantly greater challenges to employment than those who had.

- **Among the women in the survey, those in the high-stability group were better educated on average than those in the other two groups.**

In the survey sample, about 40 percent of the respondents lacked a high school diploma or a General Educational Development (GED) certificate, compared with roughly 22 percent of heads of working-poor families nationally (Acs, Phillips, and McKenzie, 2000) and with 13 percent of women age 18 to 54 nationally in 1998 (U.S. Bureau of the Census, 1999). Even within this severely disadvantaged group, better education was strongly associated with employment stability. Almost half of the high-stability workers had a diploma or GED, and one-quarter had gone on to earn college credits. In contrast, only one-third of the low-stability workers had a diploma or GED.

A complicated relationship likely underlies the correlation of education credentials with labor market success. For some, education credentials likely contribute directly to better employment outcomes. For example, although Yvonne (the survey respondent profiled in Box 1) did leave high school to have her first child, she was able to get a GED and health-aide training certificate some years later, and she had achieved high employment stability in the two years prior to her survey interview. However, additional factors, such as learning disabilities, may also contribute to both low educational attainment and low employment stability.

Among women who had worked, the previously employed were most likely to be in some kind of education, training, or employment preparation activity at the time of the interview, which is consistent with the fact that the majority were welfare recipients who faced participation requirements. Four in ten of the women in this group were in such an activity, compared with about half as many of the high-stability workers. Women who were not employed at the time of the interview may have had more time to participate in these kinds of activities, and more of them may have been required to participate by the welfare department.

- **Women with higher employment stability tended to be older and to have had their first child later than women with lower employment stability.**

Table 7 shows that, on average, the high-stability workers were about two years older than women in the other groups. They also had typically had their first child slightly later in life: The high-stability women were significantly less likely to have had their first child before turning 18; only 30 percent did, compared with 41 percent of the formerly employed women. This suggests that giving birth early may have lasting effects on employment stability, and there could be a number of mechanisms for this effect. For example, giving birth before turning 18 contributes to dropping out of high school, and those women with better educational backgrounds tended to be more stably employed.

- **Most survey participants were single and were the only wage-earners in their household, but high-stability women were significantly more likely to have been living with a husband or partner and with other employed adults.**

One of the stated goals of PRWORA is to encourage two-parent families and to reduce out-of-wedlock births, as a strategy to reduce dependence on welfare. The survey data confirm that living with a partner was associated with higher employment stability. However, Scott, Edin, London, and Kissane (2001) found that ethnographic respondents who achieved the best employment outcomes had access to social network support. This support did not always come from cohabiting spouses or partners, although it often did. Living with other adults who had earnings also was strongly correlated with employment stability, suggesting that, in the survey data, marital status may be functioning more as an indicator of network support than as a separate contributor to employment stability.

Although the survey did not fully explore network support, the available indicators suggest that such support may have been fairly limited for the sample as a whole. The survey sample was constrained to women who were unmarried in May 1995, according to the welfare departments' records, and three years later, most (62 percent) reported that they had never married.[62] Most (60 percent) were the only adult in the household, some (20 percent) lived with other adults who were not romantic partners, and others (20 percent) lived with a husband or partner at the time of the interview. Living with a husband or partner was significantly more common among

[62]Some ethnographic respondents' marital histories are quite complex, suggesting that administrative records may not fully capture marital status. For example, Ye (from Los Angeles) and her husband Virath were married in Cambodia and had been together for 31 years, but they were not legally married in the United States. Tina (from Philadelphia) was married once in a Black Muslim ceremony and once in a Hebrew Israelite ceremony, neither of which was officially recognized. When her first husband died, she was unable to collect Social Security, because there is no record of the marriage.

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**Table 7**

**Characteristics and Life Circumstances of Women Who Worked, by Employment Status and Stability[a]**

| | All Women Who Worked | All Currently Employed | High Stability | Moderate Stability | Low Stablity | No Longer Employed |
|---|---|---|---|---|---|---|
| Average age at interview | 33.1 *** | 33.3 | 34.1 | 32.2 | 32.5 | 32.5 |
| Under age 30 (%) | 38.8 *** | 37.8 | 33.1 | 43.7 | 43.4 | 40.8 |
| Age 30-39 (%) | 39.1 | 38.9 | 39.8 | 37.8 | 37.7 | 39.4 |
| Age 40 or older (%) | 18.5 ** | 19.2 | 22.0 | 16.1 | 15.5 | 16.9 |
| Average age at first birth | 19.8 *** | 19.9 | 20.2 | 19.7 | 19.5 | 19.4 |
| Gave birth before age 18 (%) | 35.5 *** | 32.9 | 29.7 | 36.4 | 37.5 | 41.1 |
| Does not have diploma or GED (%) | 41.1 *** | 37.1 | 31.9 | 38.5 | 52.9 | 49.7 |
| Has a GED or high school diploma (%) | 37.9 *** | 39.5 | 42.2 | 38.9 | 31.0 | 34.4 |
| Has some college credit (%) | 21.0 *** | 23.4 | 25.9 | 22.6 | 16.2 | 15.9 |
| Currently in school/training program (%) | 28.3 *** | 22.5 | 19.3 | 24.7 | 29.6 | 40.7 |
| Has other household member(s) with earnings (%) | 19.8 *** | 22.0 | 24.6 | 19.3 | 18.4 | 15.3 |
| Average number of adults in the household, including respondent | 1.6 | 1.6 | 1.6 | 1.5 | 1.6 | 1.5 |
| Married, living with husband (%) | 8.9 ** | 9.7 | 11.1 | 9.0 | 6.1 | 7.1 |
| Living with partner (%) | 10.7 * | 11.4 | 12.9 | 9.7 | 9.5 | 9.0 |
| Living with other adults (%) | 20.3 * | 19.9 | 19.0 | 18.5 | 25.8 | 21.3 |
| Respondent only adult in household (%) | 60.2 * | 59.0 | 57.1 | 62.7 | 58.6 | 62.6 |
| Never married (%) | 61.5 *** | 59.1 | 56.6 | 59.9 | 66.9 | 66.7 |
| Average number of own children in household | 2.3 ** | 2.3 | 2.2 | 2.2 | 2.4 | 2.4 |
| More than 3 of own children in household (%) | 16.3 ** | 15.1 | 14.0 | 14.7 | 20.2 | 18.9 |
| Average age of youngest child | 6.6 *** | 6.9 | 7.5 | 6.2 | 6.1 | 6.0 |
| Child under age 6 in household (%) | 47.7 *** | 45.7 | 41.0 | 51.6 | 51.7 | 52.0 |
| Currently pregnant (%) | 3.9 *** | 2.8 | 3.3 | 1.7 | 3.0 | 6.4 |

(continued)

**Table 7 (continued)**

| | All Women Who Worked | All Currently Employed | High Stability | Moderate Stability | Low Stablity | No Longer Employed |
|---|---|---|---|---|---|---|
| African-American (%) | 68.8 | 68.1 | 68.7 | 69.2 | 63.6 | 70.3 |
| White, not Hispanic (%) | 5.5 | 5.6 | 5.8 | 5.5 | 5.4 | 5.1 |
| Hispanic (%) | 24.2 | 24.7 | 23.4 | 24.2 | 30.0 | 23.4 |
| Other (%) | 1.5 | 1.6 | 2.1 | 1.0 | 1.0 | 1.2 |
| Not a U.S. citizen (%) | 10.0 | 10.3 | 11.0 | 8.0 | 12.5 | 9.2 |
| Has a language barrier[b] (%) | 7.2 | 7.4 | 8.5 | 6.6 | 5.1 | 6.7 |
| Sample size | 2,860 | 1,951 | 1,075 | 579 | 297 | 909 |

SOURCE: MDRC calculations from the Urban Change Respondent Survey.

NOTES: Calculations for this table used data for all sample members in the 1998-1999 Urban Change Respondent Survey who worked in the 24 months prior to interview. The sample sizes for individual outcomes may fall short of the reported sample sizes because of missing or unusable items from some interviews.

Rounding may cause slight discrepancies in sums and differences.

The numbers shown are not statistically adjusted. An analysis of variance and chi-squared tests was applied to test the significance of group differences. Statistically significant levels are indicated as *(0.05), **(0.01), or ***(.001).

[a]Women in the Urban Change sample were categorized into one of the four groups based on their self-reported work status at the time of the interview and employment history over the previous 24 months. Low stability was defined as paid employment in fewer than 7 of the previous 24 months (less than 25 percent of the sample); moderate stability, as 7-18 months (25 percent to 75 percent); and high stability, as 19-24 months (more than 75 percent). Previously employed women had worked in the two years prior to the interview but were not working when interviewed.

[b]Interviewers asked respondents whether they preferred to conduct the interview in English, Spanish, or Creole. Those who preferred Spanish or Creole were later asked, "How well do you carry on a conversation in English?" and those who chose "some," "a little," or "not at all" were coded as having a language barrier.

the high-stability women (24 percent) than among those in the low-stability group (16 percent) and those no longer employed (16 percent). However, about half of those who lived with other adults (regardless of their relationship) were actually supporting those adults, rather than benefiting from their contribution to the household income.[63] Living with another adult who had earnings from employment was also strongly related to employment stability.

Ethnographic data reveal some of the ways that a husband or live-in partner can help to maintain stable employment. Many provide child care or perform the chores necessary to keep a household functioning smoothly (Scott, Edin, London, and Kissane, 2001). For example, for most of the first year of the study, Tamara, from Cleveland, worked the third shift in the laundry of a nursing home. When asked if her work schedule was difficult for her youngest son (who was 6 years old at the time), Tamara reported: "His dad takes care of him. . . . So he gets him off to school, and he picks him up, and all that. I be asleep." When the interviewer asked directly if having her husband around was helpful, Tamara responded, "Yup . . . real helpful . . . 'cause he does all the housework, all the cooking, you know." Angela, from Los Angeles, reported a similar experience. She said that while she appreciated the money and sense of independence that she got from her job as a janitor, those benefits depended on the presence of family to provide child care: "Right now, I'm comfortable with this job simply because my husband and I take turns with our son, and so we don't have to pay for a babysitter or anything." An ethnographic respondent from Miami had a different but still supportive experience: Tammy lived with her fiancé, who supported her work efforts by referring her to his supervisor, thus helping her to get a job as a dietary aide in the same hospital in which he worked.

- **Women with higher employment stability had fewer children living with them, and they had fewer preschool-age children.**

Women in the high-stability group had fewer kids overall: Only 14 percent had more than three children living in their households, compared with 20 percent of the low-stability group. In addition, women in the high-stability group had relatively older children: Only 41 percent had preschool-age kids, compared with 52 percent of the low-stability group. Also, the formerly employed women were twice as likely as the currently employed women to be pregnant at the time of the interview, consistent with findings (above) that some women left work because of pregnancy. Having several children is a well-documented constraint on steady employment, as exemplified by Charlotte (profiled in Box 3), a survey respondent with low work stability who had four children at home.

- **The composition of the survey sample makes it difficult to draw conclusions about associations between employment stability and race, ethnicity, nationality, and language. However, the ethnographic data suggest that these are still crucial factors affecting employment stability.**

The women in this sample were living in cities with high rates of poverty, and they were sampled specifically from neighborhoods that are among the poorest in those cities. In part because of patterns of racial and class segregation in these cities and neighborhoods, the over-

[63]Twenty percent lived in households with other adults earning income, 3 percent lived in households with kids earning income, 20 percent lived in households with other adults who had no earnings from employment, and 16 percent lived in households with other adults who had no source of income at all.

whelming majority of the survey respondents are women of color: 69 percent are African-American, and 24 percent are Hispanic.[64] In addition, 10 percent of the survey respondents were not U.S. citizens at the time of the interview, and 7 percent had a language barrier. Table 7 shows that racial and ethnic differences were not significantly related to employment stability among these highly disadvantaged women. The findings are similar for differences in citizenship status and English language ability.

Although the survey did not show differences in employment stability based on race, ethnicity, nationality, or language *within this group of disadvantaged women*, the ethnographic data suggest that these factors are still important. Ye, from Los Angeles, cited language skills as a key impediment in her search for better employment: "I really want to get a job. How can I if my children need me at home? They are too young, and besides they don't hire people who don't speak English or have any skills like me." Because of language problems and other barriers, Ye and her husband (whose existence she hid from the welfare department) both relied on informal work. Ye occasionally took in piecework that paid from 40 to 60 cents per garment, and her husband Virath occasionally worked at a Cambodian donut shop as a baker.

In summary, women in the high-stability group were more "employment-ready" on average: They were older, were better educated, had fewer kids overall, and had fewer young kids; they were also more likely to live with a husband or partner and were more likely to live with another adult who was gainfully employed.

### C. What Challenges Did These Women Face in Pursuit of Employment and Advancement?

Substantial percentages of the women in all employment stability groups faced one or more challenges to stable employment. In addition to material hardships, extensive parenting responsibilities, and a lack of credentials, discussed above, many survey participants (especially those who were no longer employed) reported personal health problems, children with health problems, and child care difficulties. Other challenges that were faced by substantial minorities of these women included high levels of stress and depression and physical abuse. Rather than calling them "barriers," these factors are termed "challenges," because they did not absolutely prevent employment; in fact, many women worked in spite of them. Still, these challenges, particularly in combination, were strongly associated with less stable employment.

- **Women in the high-stability group were less likely to contend with health problems among their children or family members, but a significant minority even among this group faced such challenges.**

As shown in Table 8, 15 percent of the currently employed women in the survey sample reported that they had one or more children who had an illness or disability that demanded a lot of their attention and made it hard for them to work. Although the survey did not ask whether the women were primarily responsible for caring for other sick or disabled family members, 5 per-

[64]The ethnic distributions of the Urban Change sample do not reflect those of the counties overall or of the county welfare caseloads. In Cuyahoga County (Cleveland), for example, approximately 47 percent of all welfare recipients are African-American, whereas about 80 percent of the Urban Change sample from Cleveland are African-American.

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Table 8

## Challenges to Employment of Women Who Worked, by Employment Status and Stability[a]

| | All Women Who Worked | All Currently Employed | High Stability | Moderate Stability | Low Stablity | No Longer Employed |
|---|---|---|---|---|---|---|
| Has 1+ person in family (living in same household) on disability/SSI (%) | 6.3 ** | 5.3 | 4.3 | 6.4 | 7.1 | 8.3 |
| Has 1+ child with an illness/disability affecting respondent's ability to work (%) | 17.1 *** | 14.7 | 11.7 | 18.8 | 17.5 | 22.4 |
| Has 1+ child with special education needs (%) | 16.6 | 15.7 | 15.0 | 16.4 | 16.9 | 18.4 |
| In fair or poor health (%) | 20.8 *** | 18.4 | 17.8 | 20.5 | 16.2 | 26.3 |
| Has a health problem that limits amount or type of work (%) | 16.7 *** | 12.6 | 11.7 | 13.0 | 15.2 | 25.4 |
| Pain interfered with normal work, prior month (%) | 21.7 *** | 19.8 | 18.7 | 21.1 | 21.0 | 25.8 |
| Physically abused, prior year (%) | 8.2 *** | 6.8 | 5.4 | 8.4 | 9.0 | 11.2 |
| Threatened with physical harm, prior year (%) | 10.8 * | 9.8 | 8.5 | 9.5 | 14.9 | 12.9 |
| Physically threatened or harmed, prior year (%) | 12.9 ** | 11.5 | 9.7 | 12.1 | 16.6 | 15.9 |
| Used a hard drug, prior month[b] (%) | 1.9 *** | 1.1 | 1.2 | 0.7 | 1.8 | 3.5 |
| Got drunk 3 or more times, prior month (%) | 6.7 | 6.3 | 5.8 | 6.8 | 7.3 | 7.5 |
| Other person in household in prior year had substance abuse problem (%) | 12.1 * | 11.2 | 11.8 | 10.0 | 11.4 | 14.2 |
| At moderate risk of depression[c] (%) | 22.4 | 22.1 | 21.2 | 22.4 | 24.9 | 23.1 |
| At high risk of depression[c] (%) | 24.3 *** | 20.9 | 19.7 | 21.0 | 24.9 | 31.6 |
| Feels stressed much of or all the time (%) | 49.9 ** | 48.1 | 45.9 | 50.9 | 50.5 | 53.7 |
| Had to quit job or training because of child care difficulties[d] (%) | 22.8 *** | 17.2 | 14.6 | 21.0 | 18.7 | 34.6 |
| Did not take job or start training because of child care difficulties[d] (%) | 28.2 *** | 23.9 | 20.4 | 27.2 | 29.3 | 37.4 |

(continued)

**Table 8 (continued)**

| | All Women Who Worked | All Currently Employed | High Stability | Moderate Stability | Low Stablity | No Longer Employed |
|---|---|---|---|---|---|---|
| Average number of challenges to employment (of 13 considered)[c] (%) | 2.4 *** | 2.1 | 2.0 | 2.2 | 2.5 | 2.9 |
| None | 10.8 *** | 13.6 | 16.1 | 11.1 | 9.6 | 4.7 |
| One | 21.5 *** | 24.2 | 26.5 | 24.4 | 15.5 | 15.5 |
| Two to three | 44.0 | 43.0 | 40.4 | 43.8 | 51.0 | 46.3 |
| Four to five | 20.1 *** | 17.0 | 15.2 | 18.8 | 20.3 | 26.8 |
| Six or more | 3.6 *** | 2.1 | 1.8 | 2.0 | 3.6 | 6.7 |
| Sample size | 2,860 | 1,951 | 1,075 | 579 | 297 | 909 |

SOURCE: MDRC calculations from the Urban Change Respondent Survey.

NOTES: Calculations for this table used data for all sample members in the 1998-1999 Urban Change Respondent Survey who worked in the 24 months prior to interview. The sample sizes for individual outcomes may fall short of the reported sample sizes because of missing or unusable items from some interviews.

Rounding may cause slight discrepancies in sums and differences.

The numbers shown are not statistically adjusted. An analysis of variance and chi-squared tests was applied to test the significance of group differences. Statistically significant levels are indicated as *(0.5), **(0.1), or ***(001).

[a]Women in the Urban Change sample were categorized into one of the four groups based on their self-reported work status at the time of the interview and employment history over the previous 24 months. Low stability was defined as paid employment in fewer than 7 of the previous 24 months (less than 25 percent of the sample); moderate stability, as 7-18 months (25 percent to 75 percent); and high stability, as 19-24 months (more than 75 percent). Previously employed women had worked in the two years prior to the interview but were not working when interviewed.

[b]On a self-administered questionnaire, survey respondents were asked about use of heroin, powder cocaine, crack, PCP, and "ice" in the past month. A "yes" response to any of these questions is coded as hard drug use.

[c]Risk of depression was assessed utilizing standard criteria for the Center for Epidemiological Studies-Depression (CES-D) scale. CES-D scores range from 0 to 60. A score of less than 16 is categorized as at low risk, a score of 16 to 23 is categorized as at moderate risk, and a score greater than 23 is classified as at high risk of depression.

[d]Only respondents with one or more children under age 13 were asked this question.

[e]The 13 challenges that were counted included: score of less than 40 on the physical component of the Short Form 12 Health Survey (SF-12) , at moderate or high risk of depression, had more than five doctor visits in the past 12 months, morbidly obese (body mass index [BMI] greater than 40), homeless or sheltered in prior year, physically abused in past 12 months, use of a hard drug in prior month, has 1+ child with an illness/disability affecting ability to work, no high school diploma or GED, unable to converse in English, has three or more children, and has a child under age 3.

cent of the women in this group reported that someone in their immediate family was receiving disability benefits. More of the women in the moderate- and low-stability groups (19 percent and 18 percent, respectively), and especially the women who were no longer employed at the time of the interview (22 percent), faced challenges to employment from their families' health problems. Carmen (the survey respondent profiled in Box 2), for example, was a moderate-stability worker whose 11-month-old son had been sick enough to require hospitalization and who also had another child who was not in good health.

Ethnographic data shed light on the complexities of dealing with health caretaking responsibilities.[65] Tamara, the high-stability ethnographic respondent from Cleveland who worked the third shift, had responsibility for the care of her mother, who needed dialysis three times a week. Tamara had tried to get her sister to help out, but at the time of the second interview, her sister had just been hospitalized for a "mental breakdown." Tamara, who had three children of her own to care for, said that it was stressful to work and to be responsible for her mother's care as well. Similarly, Angela, from Los Angeles, reported that her 12-year-old son's emotional and cognitive problems (which were eventually diagnosed as attention deficit disorder) made it difficult for her to find employment, because she felt that she could not leave him home alone. In addition, Angela had a 3-year-old son who was born with severe asthma.

- **Health problems of the women themselves were common in this population, especially among those who had stopped working.**

Although poor health has consistently been found to constrain employment, noteworthy minorities of women in the survey sample worked in spite of health problems.[66] Only 8 percent of women age 18 to 44 nationally assessed themselves as being in fair or poor health in 1996 (National Center for Health Statistics, 1999, Table 60), but fully 21 percent of the working women in the Urban Change sample reported such a status. Further, Table 8 shows that health status was significantly correlated with employment stability; 18 percent of the high-stability women reported fair or poor health, compared with 26 percent of the women who were no longer employed.[67] Moreover, 12 percent of the high-stability survey respondents reported health problems that interfered with their work, compared with 15 percent of the low-stability respondents and 25 percent of the formerly employed respondents. Respondents' reports of pain interfering with their work followed a similar pattern.

The ethnographic respondents who are profiled in this report described a variety of health problems ranging from high blood pressure to cancer. For example, Judy, a low-stability worker from the Miami ethnography, had been diagnosed with cancer of the leg. She described the impact of her health on her search for employment: "Sometimes it's a problem that you know you're going to an interview. . . . Every time I go and fill that application history, [it say] 'Do you have any health problems? Well, what do you mean you have a health problem, what do it

[65]Polit, London, and Martinez (2001) and London, Scott, Edin, and Hunter (2001) provide more complete analyses of health caretaking responsibilities among Urban Change survey and ethnographic participants.

[66]For a full analysis of health problems among Urban Change survey and ethnographic respondents, see Polit, London, and Martinez, 2001.

[67]Self-reported health has been validated as a measure of health status in several studies. See, for example, Miilunpalo et al., 1997; Mossey and Shapiro, 1982; and Ross and Mirowsky, 1995.

consist of?' So, there's a lot of denial." When we asked what she meant, Judy admitted that she was referring both to being denied jobs because of her health problem and, at other times, to denying on job applications that she had a health problem. When asked about pain from the cancer, she responded: "Yes, [the cancer in my leg is] very painful. When it rains it hurts. When I walk for a long distance it hurts. If I stand up it hurts. I get numb. If I sit for a while it gets numb. . . . Most of the jobs you get, you gotta either walk, stand, or you have to do something and it's particularly using your legs."

- **Women with higher employment stability were less likely to have been abused in the prior year.**

Overall, 8 percent of the women who had worked reported physical abuse in the 12 months prior to their survey interview. Among the currently employed women, those in the high-stability group were least likely to report experiences of abuse in the past year: 5 percent were physically attacked, and 10 percent were attacked or threatened with physical harm, compared with 9 percent and 17 percent, respectively, of the low-stability group. Similarly, among formerly employed women, 11 percent reported physical abuse, and 16 percent reported attacks or threats.

Urban Change ethnographic respondents also described a range of experiences of domestic violence (Polit, London, and Martinez, 2001; Scott, London, and Myers, forthcoming, 2002). In the midst of leaving an abusive relationship, battered women often need to substantially change their routines in order to avoid their abusive partner and maintain their safety. In some cases, this can mean leaving or changing jobs. The experience of Kitina, who was profiled in the introduction to this report, illustrates this pattern. When asked if her ex-boyfriend (and father of her child) ever caused problems for her at work, Kitina replied:

> My last job. I left because of him. . . . He was just having his, his family [who were my coworkers] just hawk me and stuff [because we had broken up], it, it was crazy. I had to get out. . . . He, he threatened [to come to my work], that he was going to come down, but no [he never did].

After Kitina left the job, she still had problems with her ex-boyfriend:

> With [him], when we were fighting, I just didn't want him to know where I was at, for a little while . . . [because of] how mad he was. I don't even know [what he would have done if he found me then], I don't even want to know. [laughs] He was, he was kind of P.O.'ed. . . . [I was worried about his] killing me yeah! Hitting me no! [laughs] Killing me! . . . 'Cause he was going to kill me! [I] had to get the restraining order and all. He was a little whacko. I had to calm him down some, put him in jail for like three days . . . [for] hittin' me.

- **Very few of the women in the survey sample reported using hard drugs, but three times as many of the previously employed women reported substance use as the currently employed women.**

Overall, 7 percent of the women reported heavy drinking (getting drunk at least three times in the previous month). Fewer of the women (2 percent) reported using hard drugs (heroin, powder cocaine, crack, PCP, etc.) in the month before the interview. A larger portion (12 percent) of survey respondents reported living with someone with a substance abuse problem. Be-

cause of stigma attached to illicit substance use, all these findings may underestimate actual substance use.

Still, regardless of total rates of substance abuse, one might well expect substance abuse to be related to employment stability, and, at least for hard drugs, it was: Three times as many of the previously employed women (3.5 percent) reported using a hard drug in the prior month as the currently employed women (1.1 percent). Alcohol use and substance use in the household were not related to employment stability: 6 percent to 8 percent of women in all groups reported getting drunk three or more times in the previous month, and 10 percent to 14 percent of the women in all groups reported living with someone who had a substance abuse problem.

- **Almost half the women in the survey were at moderate or high risk of depression, but women with low employment stability were more likely to be at high risk.**

The Center for Epidemiological Studies-Depression (CES-D) scale is a 20-item scale that asks questions related to mood and functioning in the prior week, such as "During the past week, I thought my life had been a failure" and "During the past week, I felt depressed." Although the CES-D is not a clinical measure, it is a widely used instrument for measuring depressive symptoms and assessing risk for depression.[68]

Nearly half the women in the survey sample were at moderate or high risk of depression. High risk of depression differed across groups, ranging from 20 percent of the high-stability workers to 32 percent of the formerly employed women. Additionally, high levels of stress were found among all groups of survey respondents, but women who were stably employed were less likely to feel stressed than women with less steady employment. To the extent that depression impedes all kinds of activity, it can also make it difficult to sustain employment. In addition, of course, poverty and the lack of steady and rewarding employment are often stressful and depressing in and of themselves.

Sarah, an ethnographic respondent from Philadelphia, described this predicament. Her work at a clothing store was contributing to her depression and constraining her treatment options, *and* the depression itself was making it difficult to function fully on the job:

> It's okay [at home]. Not as great as I wish it would be but it's — it's a hassle workin' all those hours, plus coming home and I can't cook dinner 'cause I come home at six-thirty, seven o'clock at night, and by the time I come home I didn't get to see the kids that much. And it's time to eat and to bed, and the next day it's the same thing all over again. So it's kinda making me depressed. . . . I'm really havin' some bad nerves. I'm really [going] through depression and my boyfriend ain't treatin' me that good, and my kids are driving me crazy. Everything's just on top of me. And I even told the doctor and she said go to a counselor, but I told her I'm at work all day. So that's hard. And you know, I told them my face is breakin' out. My hands shake. Sometimes I — I don't even know what to do at work. I just

[68]The CES-D has been validated in many studies and in varied populations, and it has also been used effectively in community cohorts as a screening device (see, for example, Comstock and Helsing, 1976; Radloff and Locke, 1985).

want — I don't even want to get up and help people. So everything's just goin' down on me.

- **Many of the women in the survey sample reported that inadequate access to child care interfered with their work.**

Table 8 shows that child care was an important challenge to stable employment. Of the formerly employed women, 35 percent said that they had had to quit a job or work activity because of child care difficulties, and 37 percent said that they had not started a job or work activity at some point in the past two years because of child care issues.[69] Although the currently employed women were better off on average, even among the high-stability workers, 15 percent had quit a job because of child care problems, and 20 percent had not started one for the same reason.

Ethnographic data show women trying numerous strategies to find good-quality child care that fit within their budget. Tammy, a moderate-stability worker from Miami, lived with her fiancé, the father of her two preschool-age children, one of whom was born during the course of the study. Tammy and her fiancé worked part time for $8 per hour as dietary aides at a local hospital, but neither of them received benefits because they were classified as "per diem" employees. When asked about child care, Tammy described the following difficulties:

> I don't want to talk about . . . child care. [The hospital where I work] have a day-care. They charged me $80 a week with payroll deductible. To me [the cost] was just unpractical, out of control. But after that . . . I found another lady that was keeping [children] for $50 a week, which wasn't bad. But then she stopped babysitting kids. So now I don't have anyone. I just, like, bring my sister down whenever I get a chance. . . . Yeah, I have to get her and bring her down here, but she'll just stay here [with us]. We just kind of juggle. . . . Whenever I'm off, I'm home with [the child]. Whenever his father's off, he's home with him. We just rotate like that.

When Danielle, from Philadelphia, was working at a clothing store, her mother watched her girls, but Daneille did not think that her mom was a good caretaker. When her youngest daughter started to yell more, Danielle thought that this was linked to her own mother's constant yelling, so she tried other approaches to find better child care:

> I'm gonna try like . . . my girlfriend's gonna ask her mom, 'cause I pay my mom $5 a day. . . . And it was $10 a day, but I can't afford to pay her $10 a day. I can't. . . . What more is she gonna do, she's gonna take from my kids' mouth? Which she would. 'Cause she's gonna see if her [girlfriend's] mom'll do it, and it'll be better if it's her mom doin' it. She's [her daughter] 5, I mean she's 4, she'll be 5 this month, but — so I'm hopin' maybe I can get her into school now, now that she's 5. 'Cause they wouldn't take her in kindergarten 'cause she wasn't going to be 5 till November.

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[69]Two questions were asked: "At any time in the past 2 years, did you have to quit a job, school, or a training activity because you had problems arranging child care or keeping a child care arrangement?" and "At any time in the past 2 years, were you unable to take a job, or start school, a job search, or a training activity because you had problems arranging child care or keeping a child care arrangement?"

At our most recent contact with Danielle, her mother was still providing child care for the children.

- **The large majority of survey respondents faced at least one challenge to stable employment.**

The Urban Change survey respondents who were working when interviewed were doing so in spite of multiple "barriers" or challenges to employment. Table 8 shows that even among survey respondents with high employment stability — those who tended to have the best jobs and faced the fewest challenges to employment — over 80 percent faced at least one of 13 educational, health, and family-responsibility challenges to employment.[70] Among those who no longer worked, over 95 percent faced at least one such challenge. The number of challenges varied significantly across employment stability groups, with an average of two in the high-stability group and three among those who no longer worked. There is considerable overlap between these indicators and the 14 in Danziger et al. (2000), who also found that having multiple barriers was associated with unemployment in their study of women who had been on welfare.

The ethnographic case studies reveal the same pattern. For example, Susan, a high-stability worker from Cleveland, has been relatively successful: She found a full-time job as a medical assistant in a large group practice of primary care physicians; she was earning over $9 per hour and had medical, dental, vacation, retirement, *and* tuition reimbursement benefits. It must be noted, however, that Susan is white, speaks English, has two teenage sons (no young children), has a high school diploma and a certificate in medical assistance, has no health problems or health-related caretaking responsibilities, and has no history of domestic violence. In other words, Susan faced none of the challenges to employment — a circumstance that was shared by only 16 percent of the high-stability survey respondents. In stark contrast, Ye is an immigrant who has limited English-speaking skills, no formal education in this country, high blood pressure, and seven kids (some preschool-age) living with her. She has been able to secure only informal sewing work.

In sum, although the vast majority of the women who were interviewed were quite disadvantaged, those with higher employment stability suffered fewer material hardships, came from relatively advantaged backgrounds, and faced fewer and less severe challenges to employment than those with low employment stability or those who had left the labor force. Further, while the vast majority (89 percent) faced at least one significant challenge to employment, most (68 percent) faced two or more. Still, all of the women who worked were more advantaged than those survey respondents — the "hard-to-employ" — who had not worked in the two years prior to their interview.[71]

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[70]This index includes: having an unfavorable score on the physical component of the Short Form 12 Health Survey (SF-12) scale, being at moderate or high risk of depression, having more than five doctor visits in the prior year, being morbidly obese, having been homeless or sheltered in the prior year, having been physically abused in the prior year, having used a hard drug (cocaine or heroine) in the prior month, caring for a child with an illness that affected the mother's employment, not having a high school diploma or GED, never having worked for pay (which does not apply to those considered for this report), not being able to converse in English, having three or more children, and having a child under age 3.

[71]The survey respondents who had not worked at all in the prior 24 months faced 3.6 of these challenges, on average, and 90 percent faced two or more such challenges.

## IV. Safety Net Supports for the Working Poor

Whether they are Wall Street lawyers or Wal-Mart cashiers, women who have child-rearing responsibilities and who support themselves and their families must assemble a variety of supports to achieve success in these dual roles. For middle-class working mothers, supports for work can often be purchased (for example, child care, a vehicle) or are available as part of their employment package (for example, health insurance). For working-poor mothers, however, the financial resources that are used to support employment and facilitate the transition off welfare must compete with the resources needed for such basic necessities as food and housing. An important policy challenge — particularly in an environment of time-limited welfare benefits — is to ensure that women who leave welfare for work have adequate supports to sustain them as workers and as parents. This section looks at the public safety net supports accessed by the survey respondents who were working. As a comparison, we show the supports accessed by women who were no longer employed, most of whom were welfare recipients at the time of the interview, as shown in Table 6.

It is critical to note, however, that this section does not discuss one of the most important supports currently available to working-poor families, namely, the Earned Income Tax Credit (EITC). It has generally been found that participation rates for the EITC program are very high (Ellwood, 1999).[72] The survey asked women about whether they had used the EITC on their most recent tax return, which for most respondents would have been their 1997 return. However, it is difficult to interpret the data because some currently employed women had not worked long enough to file a 1997 tax return and because others likely got the EITC without realizing it or knowing its name.[73] For example, Miranda, the survey respondent who is profiled in the introduction, reported that she had gotten a $1,000 tax refund in the month of the interview. However, when asked if she had used the EITC on her most recent tax return, she said that she did not know — although her tax refund suggests that she probably did.[74]

- **Sixty percent of the women in the survey were receiving food stamp benefits, but an additional 25 percent appeared to be income-eligible for food stamps yet did not receive them.**

As shown in Table 9, the large majority of previously employed women in the Urban Change survey sample (81 percent) were food stamp recipients. By contrast, only about half the women who were working at the time of the interview had food stamp benefits, but there were

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[72] An analysis of the budgets of the ethnographic respondents in two sites shows that moving from welfare to work generally resulted in income gains, even when considering the full range of income sources both before and after employment (including work in the informal sector and network support), but often the income increased partly because the family received the EITC (Scott, Edin, London, and Kissane, 2001).

[73] Among the currently employed women in the survey who had filed an income tax return (85 percent of those currently employed), about two-thirds said that they had filed for the EITC, meaning that roughly 58 percent of currently employed women reported the credit.

[74] Other ethnographic studies suggest that EITC use may be high even when poor families cannot identify to interviewers that they have taken advantage of the program. These studies show that many poor families use tax firms like H & R Block that offer "rapid returns." Such firms make a profit by charging a high interest rate on the amount of the return (they lend the family the money during the interim between filing the return and receiving the refund). Thus, it is in the firms' interest to make sure that the family receives the EITC (Edin, 2001).

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Table 9

Safety Net Supports of Women Who Worked, by Employment Status and Stability[a]

| | All Women Who Worked | All Currently Employed | High Stability | Moderate Stability | Low Stablity | No Longer Employed |
|---|---|---|---|---|---|---|
| Received food stamps, prior month (%) | 59.7 *** | 49.9 | 40.7 | 56.1 | 71.7 | 80.8 |
| Income-eligible for food stamps but did not receive them, prior month (%) | 22.1 *** | 25.6 | 28.5 | 23.3 | 19.6 | 14.8 |
| Had Medicaid coverage, prior month (%) | 51.9 *** | 42.2 | 32.2 | 52.1 | 59.4 | 72.8 |
| Had employer-provided health insurance, prior month (%) | 21.4 *** | 29.5 | 39.9 | 21.4 | 7.8 | 4.0 |
| Had other health insurance, prior month (%) | 4.8 ** | 4.0 | 4.0 | 4.0 | 4.1 | 6.6 |
| Had no health insurance, prior month (%) | 22.7 *** | 24.8 | 25.0 | 23.1 | 27.6 | 18.0 |
| Had a period without health insurance, past 12 months (%) | 35.1 | 36.1 | 35.9 | 37.7 | 33.8 | 32.9 |
| Had one or more child without health insurance, prior month (%) | 19.5 *** | 21.3 | 23.0 | 20.0 | 17.5 | 15.7 |
| Living in subsidized housing (%) | 30.6 ** | 28.6 | 28.0 | 30.7 | 26.7 | 34.6 |
| Received energy assistance, prior month (%) | 21.3 *** | 19.4 | 18.4 | 19.3 | 24.2 | 25.7 |
| Has one or more children less than 13 years of age (%) | 83.0 | 82.8 | 80.8 | 86.0 | 83.5 | 83.6 |
| No child care arrangements[b] (%) | 19.1 *** | 16.9 | 19.1 | 12.9 | 17.3 | 23.7 |
| Children regularly care for themselves for some amount of time[b] (%) | 17.1 | 18.1 | 21.3 | 15.5 | 11.8 | 15.1 |
| Average number of types of child care arrangement | 1.3 *** | 1.4 | 1.4 | 1.5 | 1.4 | 1.0 |
| Average out-of-pocket cost for child care arrangement, prior month[b, c] ($) | 53.64 *** | 73.56 | 69.61 | 81.55 | 71.35 | 11.29 |
| No out-of-pocket cost for child care, prior month (%) | 67.8 *** | 57.4 | 58.8 | 53.6 | 60.2 | 89.7 |
| Receives child care subsidy[b] (%) | 15.1 *** | 17.9 | 15.2 | 22.7 | 17.3 | 9.4 |
| Sample size | 2,860 | 1,951 | 1,075 | 579 | 297 | 909 |

(continued)

**Table 9 (continued)**

SOURCE: MDRC calculations from the Urban Change Respondent Survey.

NOTES: Calculations for this table used data for all sample members in the 1998-1999 Urban Change Respondent Survey who worked in the 24 months prior to interview. The sample sizes for individual outcomes may fall short of the reported sample sizes because of missing or unusable items from some interviews.

Rounding may cause slight discrepancies in sums and differences.

The numbers shown are not statistically adjusted. An analysis of variance and chi-squared tests was applied to test the significance of group differences. Statistically significant levels are indicated as *(0.05), **(0.01), or ***(001).

[a]Women in the Urban Change sample were categorized into one of the four groups based on their self-reported work status at the time of the interview and employment history over the previous 24 months. Low stability was defined as paid employment in fewer than 7 of the previous 24 months (less than 25 percent of the sample); moderate stability, as 7-18 months (25 percent to 75 percent); and high stability, as 19-24 months (more than 75 percent). Previously employed women had worked in the two years prior to the interview but were not working when interviewed.

[b]Only respondents with one or more children under age 13 were asked this question.

[c]The average includes $0 for those with no child care cost.

sizable group differences: Women in the high-stability group were least likely (41 percent) and those in the low-stability group were most likely (72 percent) to still be on food stamps, which is consistent with the pattern observed for welfare receipt. One might hypothesize that these group differences reflect dissimilar levels of financial need, inasmuch as high-stability workers had higher earnings and higher total household incomes than other working women. However, differential need appears not to be the only explanation for group differences in food stamp participation: Some 29 percent of the high-stability women, compared with 20 percent of low-stability women, appeared to be income-eligible (based on total household income reported for the month before the interview) but were not receiving food stamps. Overall, about one out of four of the women who worked were in this situation. This is consistent with the growing body of literature that has documented the fact that many women who leave welfare do not get food stamp benefits despite both need and eligibility (Loprest, 1999; Zedlewski and Brauner, 1999; Acs and Loprest, 2001; Rangarajan and Wood, 2000).

In the ethnography, Tina's situation offers one potential explanation for why moderate- or high-stability workers with low earnings might have to forgo food stamp benefits even when they are income-eligible. After nearly two decades on welfare, Tina worked fairly steadily over three years, moving from part-time babysitting to hotel housekeeping and then into short-term catering and housekeeping jobs that she found through a temporary employment agency. Even with all these efforts, however, Tina always had earnings low enough to qualify her for food stamps, because she had five children at home. Nevertheless, it was hard for her to keep the food stamps because she had to take time off from work each month to deliver her pay stubs and utility bills to the welfare office. She did this in person to ensure that the documents arrived on her caseworker's desk on time. (Many respondents in the ethnographic study have reported that their caseworker has claimed to have lost or not received their paperwork.) Below, Tina describes her difficulties in fulfilling Philadelphia's monthly reporting requirement for food stamps:

> You gotta get that monthly report in every month. Sometimes that means you have to go from your job to the welfare office. . . .
>
> *Interviewer: You can't get it in by the mail?*
>
> You can. But sometimes you have to go up there. So, I tried that and I had the worst time with the monthly reports. I tried to get them in on time, and they don't get it on time, they get it late [because their internal mail system is slow], and, um so they cut my benefits 'cause [my caseworker said she] received it late. So that's why I take it in there directly. 'Cause if I take it in directly, at least I know they've got it.
>
> *Interviewer: Do they cut the whole check or do they cut part of it?*
>
> They cut the whole thing. They close the case.
>
> *Interviewer: How often does that happen?*
>
> How often it happen to me? Wow. Um . . . they like, for now it's like almost every other month. So one month I may be getting something [in food stamps] and the next month I may not. Or it may be late. I may expect [the stamps] on the first of the month and I won't get [them] until, uh, maybe the second week.

Also note, however, that nearly half the working women in the survey sample who were income-eligible but not getting food stamps owned a vehicle — the value of which could have disqualified them for food stamps — and that the women in the high-stability group were especially likely to own a car.[75] Such might well be the case with Carmen, the survey respondent who is profiled in Box 2. Still, about 10 percent of the women in this group did not own a vehicle but were not getting food stamps for which they and their families appeared to qualify. Eileen, from Philadelphia, was one such women, and the loss of her food stamps had a disastrous effect on her budget. Although the two part-time low-wage jobs that she held at the time of her first interview paid poorly enough to make her income-eligible for both food stamps and Medicaid, she was cut off from both programs about six months after the interview. According to Eileen, she received no official notification or explanation for why she was cut off, though aspects of her case suggest that she might have been sanctioned for filling out the monthly paperwork incorrectly. About two months after the sanction took effect, Eileen said that she really missed the food stamps (about $300 per month) and that the loss of benefits had forced her to "either skip one or two bills and don't eat or say the heck with the bills and eat."

- **Just over 40 percent of the currently employed women in the survey were still getting Medicaid; one out of four were uninsured.**

As discussed in Section III, the women in the survey and ethnographic samples were substantially less healthy than same-age women nationally, and their children also had more health problems. Thus, there is a critical need for health insurance among the women transitioning to employment. Indeed, as reported elsewhere (Polit, London, and Martinez, 2001), many of the ethnographic respondents reported that they feared the loss of health insurance far more than the loss of cash assistance. Rosario, from Miami, expressed a widely shared sentiment:

> What they have to do something about is Medicaid. It is very important. They can cut the food stamps and the check, but leave the medical insurance. Imagine, look, I didn't do much, I fell and cut my head. I went to the hospital and for three stitches they charged me $300. . . . Imagine, without the Medicaid!

As discussed earlier (Section II.B), high-stability workers in the survey sample were especially likely to have health insurance as an employee benefit. Table 9 shows that about 40 percent of this group had employer-provided medical insurance in the prior month. However, women with low employment stability were considerably more likely to be getting Medicaid, because (1) they were still cash welfare recipients or (2) they were eligible for transitional benefits as a result of a recent departure from welfare[76] or (3) they had low incomes that allowed them to keep Medicaid benefits even if they were no longer welfare recipients.[77]

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[75] At the time the survey data were collected, the limit for the value of a vehicle for eligibility purposes was $4,650. However, the U.S. Department of Agriculture has subsequently made options available to states to modify reporting requirements and to relax asset tests relating to vehicles.

[76] People leaving welfare are typically eligible for 6 to 12 months of "transitional Medicaid" when they leave welfare for work.

[77] Congress severed the ties between Medicaid eligibility and eligibility for cash aid under PRWORA, and thus there is no time limit for Medicaid. However, wage-earners qualify only if their incomes are very low. For example, in Philadelphia and Miami, working parents were no longer eligible for Medicaid in 1998 if they earned more than

(continued)

Kathryn, an ethnographic respondent from Philadelphia, had just taken a seasonal job at a "letter shop" (a bulk-mailing agency) when she was first interviewed. Shortly after taking the job, she reported that she lost Medicaid for one month because she had "made too much money" the previous month. (As a result of filling extra trays of envelopes, Kathryn had made about $6 per hour on average that month instead of her usual $5.15 per hour.) Kathryn subsequently managed to keep her Medicaid — which was fortuitous for her because, in the second year of the study, Kathryn was diagnosed with cervical cancer and had to start chemotherapy. To keep her earnings close to the same level as before her treatments, she worked four days each week and received chemotherapy the fifth day. Kathryn died of the cancer in March 2001, but her illness did not incur medical debt for her family because she had maintained Medicaid while she worked. It appears that Kathryn was able to take advantage of current policies because of her (or her caseworker's) familiarity with eligibility criteria, but not all former recipients are so well informed.

Table 9 shows that there were stability group differences in type of insurance among those who were currently employed but not in *whether* the women were insured: Roughly one out of four currently employed women in all stability groups had no health insurance in the previous month (or *assumed* that they had no health insurance, which would have the same effect on postponing health care).[78] About one-third of the currently employed women reported an unmet need for medical or dental care in the prior year — that is, either they or someone in their families had needed care but hadn't received it (not shown).

Myrna's story suggests that it might sometimes be difficult for a mother moving from welfare to work to determine whether she has maintained her Medicaid benefits. In October 1996, when we first interviewed her, Myrna was getting cash assistance and Medi-Cal (California's Medicaid program). After taking a job at Target, her benefits were eliminated because her caseworker miscalculated her earnings. After Myrna complained to a supervisor, her benefits were reinstated. In January 1998, Myrna was again cut off welfare and Medicaid because she earned too much money. This time her caseworker was apparently not in error, as Myrna was working two jobs. She wanted to keep her Medi-Cal and food stamp benefits and believed that she was still eligible, so she went to the welfare office to reapply. She completed the necessary paperwork and then waited four months without any word from welfare. In July, she finally called her caseworker to inquire as to her Medi-Cal status. She was told that she had had Medi-Cal coverage all along but that she had lost eligibility on the Friday prior to her call. Rather than go through the hassle of reapplying, which involved a one-day orientation at the welfare office and a lengthy application form to complete at home, Myrna decided to let the matter lapse. One year later, Myrna had some health problems and decided to try to get Medi-Cal benefits again. She arrived at the welfare office and discovered that her Medi-Cal coverage had never ceased: She was apparently eligible all along! When we interviewed Myrna the next year, in the winter of 2000, she reported that she had again lost her Medi-Cal coverage but did not know why. In addition, she said that her children had lost their coverage as well.

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about 70 percent of the FPL (that is, if a family of three had annual earnings of more than about $9,600). Cleveland and Los Angeles had higher eligibility limits, at about 85 percent and 155 percent of the poverty limit, respectively. Children remain eligible for Medicaid at higher income levels.

[78] This rate of being uninsured is similar to what has been reported in studies of welfare leavers (Acs and Loprest, 2001; Rangarajan and Wood, 2000).

In the survey sample, about one out of three of the currently employed women had had a spell without health insurance in the previous year. Moreover, about 20 percent in all three employment stability groups had at least one child who lacked health insurance in the previous month.[79] Thus, strong employment stability did not lead to improvements with respect to health care coverage for these women or their children. Although women who were stably employed tended to be healthier than other women, as shown in Table 8, health problems were common in all groups; this underscores the need for health care coverage as a critical support for work.

When Eileen lost her benefits as a result of a sanction, her Medicaid also ceased, a common scenario among ethnographic respondents. Although her children's benefits were quickly reinstated, hers were not. She started working full time at a laundromat shortly after her first interview, and then she took an additional part-time job at a donut shop. She had to quit the second job because of repeated shaking and dizziness and sharp pains in her chest, arm, and legs. Without insurance, Eileen felt that she couldn't afford to see a doctor about these problems. However, she continued working 40 hours per week at minimum wage at the laundromat. While there, she broke a bone in her ankle (the bone actually broke through the skin) and was pricked by a hypodermic needle that was left in a clothes dryer. She paid for HIV testing out-of-pocket and did see a doctor about the ankle — the doctor said that her heel had split "like a chicken bone" — but she had to pay out-of-pocket for that visit as well. About a year later, while still at the laundromat (and with no increase in pay), Eileen fainted at work and felt that she had to go to the doctor. He told her that she was dehydrated and malnourished and had a respiratory infection, and that she needed to be admitted to the hospital. She refused, saying that she couldn't afford treatment without insurance and also couldn't afford to lose her job. Meanwhile, Eileen's asthma was causing problems; her prescription medication cost $120 every two weeks, and her lack of health coverage meant that she had to pay for it herself or go without. She wanted to look for a job with benefits and better pay, but with four children to raise and a full-time work schedule, she felt that she had no time to do so.

- **Housing assistance was not related to employment stability, and about 29 percent of the currently employed women were getting some housing help.**

Housing is the major expense of most low-income families. Fully one-third of the currently employed women spent 40 percent or more of their total household income on housing and utilities in the month prior to the interview (not shown); yet, as Table 6 shows, about half the women lived in deficient housing.

Survey respondents were asked if they lived in public housing or had a Section 8 certificate, and Table 9 shows that between 27 percent and 31 percent of all groups of currently employed women did have housing assistance (as did 35 percent of the previously employed group). In welfare leaver studies, the percentage with housing assistance has been found to range between 18 percent and 27 percent (Acs and Loprest, 2001). For the Urban Change sample as a whole, as well as in all employment stability groups, more women were living in public housing (about 17 percent) than were living in Section 8 housing (about 13 percent; not shown in ta-

[79] At the time of these interviews in 1998 and early 1999, the Children's Health Insurance Program (CHIP) was just getting under way, and relatively few women (about 5 percent) reported that their children had coverage through CHIP.

bles).[80] Other ethnographic studies of welfare recipients show how difficult it is, in some cases, to obtain a Section 8 certificate (Edin and Lein, 1997).

Overall, some 21 percent of the survey respondents reported getting energy assistance to help pay for residential heating and electric bills. Women in the moderate- and high-stability groups were less likely than low-stability and previously employed women to receive such assistance, but group differences were not substantial, ranging from 18 percent among high-stability women to 26 percent among previously employed women.

Given the average earnings of these working women, housing and energy assistance can prove vital in managing household budgets that include such work-related expenses as child care and transportation costs, as illustrated by two survey respondents, Yvonne (Box 1) and Charlotte (Box 3). Jackie, an ethnographic respondent from Miami, provides a third example. Jackie went on welfare after leaving a violent marriage, and she eventually found employment as a hotel housekeeper earning $6.75 per hour plus tips, working 30 to 40 hours per week, depending on the hotel's occupancy rate. She reported being thrilled to have traded a welfare check for a paycheck, and she talked at length about how this made her family proud of her. Despite a very supportive immediate family who were willing to help her with child care (she received no child care subsidy) and in emergencies, Jackie might not have been able to stay at this relatively low-wage job if she didn't live in public housing, where she paid only a small percentage of her income in rent.

- **Few working women in the survey reported getting a child care subsidy; however, the majority relied on others to provide child care.**

Children younger than 13 typically require a care arrangement when their mothers work or participate in required welfare-to-work activities. In the Urban Change survey sample, 83 percent of the women (with similar percentages across the employment stability groups) had at least one child under age 13, and 54 percent had two or more such young children (not shown). Table 9 presents child care information for those women who had at least one child in the household under age 13 and who were working, in training, or looking for work.[81] Currently employed women who had young children overwhelmingly reported that they were using some type of regular care arrangement, with only 17 percent saying they used no child care. The majority of women who were no longer working but who were in some regular work-related activity also had regular child care.

Working women with young children who did not have a child care arrangement had varied circumstances. Some of them worked at home (for example, doing hair) or had jobs where

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[80]Group differences in housing were most pronounced with respect to home ownership. Some 14 percent of women in the high-stability group lived in homes they owned, compared with 6 percent to 7 percent among women who either were not working at the time of the interview or had limited employment stability.

[81]The child care questions were asked only of mothers who had children under age 13 and who were working, looking for work, or participating in an educational, training, or other employment-related activity. The questions asked about child care arrangements that might be used while the respondent participated in such activities, rather than about babysitting or child care for other reasons. Women were specifically asked about whether their children under age 13 were in the following types of care: Head Start; a daycare center or preschool program; a family day care home or care by an unrelated babysitter; care by the child's father or by the respondent's partner or husband; care by an older sibling; care by another relative, such as a grandparent; and self-care.

they likely were able to bring their children with them (for example, babysitting in someone else's home). Others worked part time and had school-age children, and thus did not need regular child care. And others (mostly those whose youngest child was 10 to 12) had children who cared for themselves when they were not in school. Some 18 percent of the currently employed mothers with children under age 13 (and 21 percent among those in the high-stability group, compared with 12 percent in the low-stability group) said that their young children cared for themselves for at least some amount of time on a regular basis.

Eileen is an ethnographic respondent whose story illustrates this situation. When her adult daughter wasn't available to baby-sit, she left her three youngest children (ages 12, 9, and 8) home alone.[82] She reported that she had lost her daycare subsidy from welfare because she had "messed up" the paperwork. An altercation with a neighbor made her realize how vulnerable the practice of leaving her kids home alone made her. Eileen had seen the neighbor smoking pot on their shared front stoop, and she had asked the neighbor to stop, because she didn't want her children to see that. The neighbor reportedly replied, "[You'd better] watch your ass because no one's babysitting your kids." "I had to shut my mouth," said Eileen, "because she got me there." Eileen knew that if the child protection agency found out that the children were left home alone, she might lose her kids.

Working women used, on average, 1.4 *different* types of care arrangements for their children, and over 40 percent of them relied on multiple types of care (not shown), which suggests that child care arrangements were in many cases complex.[83] Informal care arrangements — that is, care by a relative, partner, or older sibling — were especially prevalent; about 60 percent of the working women with a child under age 13 used informal care (not shown). Other studies (for example, Acs and Loprest, 2001) have similarly found that welfare recipients and former recipients rely primarily on informal arrangements. In the profiles of survey respondents presented in Boxes 1 through 3, Yvonne, Carmen, and Charlotte all used informal case (and self-care), though Yvonne combined care by her mother with care by a babysitter.

In the ethnography, Marcia's story reveals that relying on informal child care arrangements is not always a choice but, rather, a necessity when other, more stable arrangements are not affordable and subsidies are not forthcoming. In Marcia's case, informal child care meant low-quality, unreliable care that interfered with her ability to maintain her job. Marcia's child care problems began when she gave birth to her second child, shortly before her first interview: "[In] the summertime, my [school-age] son was able to go to my grandmothers'. . . . When I had my daughter, no, [my grandmother] wasn't having that. She just would not take care of the second one." Marcia then turned to her father and, when he was working, to a drug-addicted aunt:

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[82]Eileen also had a daughter who was 14 years old, at the time, but the teenager she was not around the house much by that point, and she eventually ran away from home.

[83]A woman might use multiple arrangements for one child (for example, care by a grandparent combined with an extended day program) or different arrangements for different children. The figures shown likely underestimate the complexity of arrangements. For example, if a woman left her infant with her mother but also had a 10-year-old cared for by her sister after school, this would have counted as only one type of arrangement (care by a relative). As another example, a woman who relied on her sister two days a week and her mother three days a week would have been coded as having only one type of arrangement.

> So it was like my aunt that day, my dad that day, my aunt again that day. But sometimes [my aunt] would go out because she was on drugs . . . then she is not taking care of your child right or she will say she is coming and don't show up. You try to drop the kids there and she won't open the door. Oh girl, I have been through it and it is all around child care.

Other ethnographic respondents claimed that the relatives who cared for their children were undesirable in a variety of ways, and some of the problems they noted were quite serious.

The difficulties of using informal child care are illustrated by Charlotte, the survey respondent featured in Box 3, who worked every evening from 5 to 10 P.M. She counted on her teenage children to care for her 6-year-old daughter while she worked. However, these older children were not the most reliable caregivers, especially in the context of a neighborhood that Charlotte described as violent. She reported that one of her children had been recently attacked and that her oldest son had had run-ins with the police. Like Eileen, Charlotte also admitted that there were times when she left her youngest child home without care.

In the survey sample, formal child care arrangements — such as daycare centers, family daycare homes, or extended day programs — were used by about 40 percent of the currently employed women, and about one out of five relied on both informal and formal care (not shown). Among the women who were currently employed, group differences in the use of formal versus informal child care arrangements were modest and not significant.[84]

Table 9 shows that, among women who worked, the average out-of-pocket child care expenditures in the prior month ranged from $69.61 for women in the high-stability group to $81.55 for those in the moderate-stability group. However, these averages include the zero dollars spent by women who had no child care expenditures, and these women were in the majority for all groups. Among those with any child care expenditures, the average costs were about $175 in the prior month, with little difference among the three groups of working women; about 12 percent of these women had monthly child care expenditures in excess of $200 (not shown). Yvonne, a survey respondent whose profile is presented in Box 1, is an example of a high-stability worker with high child care costs.

Table 9 also shows that only a small minority of working mothers with young children reported getting help in paying for child care in the prior month; the numbers ranged from 15 percent of women in the high-stability group to 23 percent of those in the moderate-stability group.[85] As with other safety net supports, these percentages are consistent with findings from welfare leaver studies (Acs and Loprest, 2001; Rangarajan and Wood, 2000).

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[84]This is not consistent with some other research that has shown that formal arrangements are associated with greater employment stability than informal arrangements. For example, in their national study of welfare recipients who found jobs, Rangarajan, Schochet, and Chu (1998) found that the median length of an employment spell for women using relative care was 8 months, compared with 13 months for nonrelative care or center-based care.

[85]It is not clear why women who were most stably employed were less likely than other working women to be getting a subsidy, but one factor may be that many of these women had left welfare several years earlier and were perhaps not aware of the assistance currently available. Consistent with this explanation is that, among the working women in the sample who had left welfare recently (within the past year), 22 percent reported getting child care assistance in the prior month, compared with 16 percent of the women who had left welfare more than one year ear-

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Among the working women who got a child care subsidy, about one-third indicated that the subsidy paid their entire child care costs, while 44 percent said that, with the subsidy, their costs were $100 or less (not shown). However, it is important to note that 79 percent of the mothers who had a child care arrangement and who did *not* have a subsidy reported that they paid nothing out-of-pocket, and thus they may not have felt that they needed a subsidy. Alternatively, they may have been making do with child care arrangements that they considered unsatisfactory because, without the subsidy, they could not afford to pay for the kind of care they would have preferred.

For working women who actually had out-of-pocket expenses for child care (whether they had a subsidy or not), those expenses accounted for an average of about 14 percent of their earnings in their current main job (not shown). Given the fact that median monthly earnings for currently employed women were under $1,100 per month, it is clear that women without free child care were typically using a fairly high percentage of their earnings to cover their child care expenses. For example, Yvonne (Box 1) spent over 30 percent of her earnings on child care.

Theoretically, many more of the women in the sample ought to have been eligible for child care subsidies that could reduce or eliminate their child care expenditures (or that could provide income for relatives who were caring for their children). Yet some ethnographic sample members reported long delays in receiving the benefits (often up to a year) or their inability to access subsidies at all. Danielle cleaned houses part time for $7.50 an hour at the time of her first interview, but she was not receiving any child care subsidy from welfare despite knowing that she was eligible: "They [welfare] tell you, 'You get a job, we'll provide child care, we'll provide the bus fare.' No they don't. I pay for the bus fare. I pay for the child care. And I only get . . . I come home with $65, $75 a week." After leaving this job, Danielle managed to find a series of full-time jobs that paid just above the minimum wage, and she managed to remain employed for most of the next three years. It took a full year from the time she first applied for a child care subsidy to actually receive her first reimbursement check from the welfare department.

Michelle, a high-stability worker from Los Angeles, was able to secure a child care subsidy. As previously noted, Michelle had been steadily employed part time at an arts and crafts supply store and was attending cosmetology school full time. Michelle claimed that she was able to do both only because, in addition to free rent at her father's house, she had quite quickly gotten a child care subsidy from the welfare office, and this covered all of her child care expenses.

In summary, the data from the Urban Change survey suggest a number of serious gaps in the safety net for women who work. Except for food stamps, only a minority of women in the sample were getting various types of assistance that could sustain them in their effort to work and raise their children, and it appears that many women who were eligible for food stamps were not getting this benefit, either. Particularly worrisome problems were the lack of health care coverage for sizable minorities of these working women and their families and the small percentage of women who were getting a child care subsidy.

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lier. (Some 20 percent of working welfare recipients reported a subsidy.) It is also possible that these women had the least amount of time to deal with the bureaucratic hassle that getting a child care subsidy seemed to necessitate for many of the ethnographic sample members.

## V. Discussion

This report has described in detail the lives of a group of almost 3,000 working women who were living in severely disadvantaged neighborhoods across four large metropolitan areas. All received cash assistance and/or food stamp benefits from the public welfare system in the year prior to the passage of the 1996 Personal Responsibility and Work Opportunity Reconciliation Act (PROWRA). When surveyed a few years later, they were asked questions about their experiences with work and welfare and about their family's well-being.

The women reported an increasing amount of work activity between 1996 and 1998-1999. By the end of the period, 73 percent of the full Urban Change sample had worked at some point during the past two years, and half were currently employed. Moreover, most had worked in most months during that two-year period, demonstrating remarkably stable employment. Not only that, but the majority of the jobs they held were full time.

Notwithstanding their relatively strong labor force attachment, the majority of these women earned too little to escape official poverty, and almost all women had earnings below 185 percent of the poverty line, a threshold often used to designate the "near-poor." In most cases, these women's earnings were the primary source of household income. Even when other income sources are added in, 89 percent of these families were poor or near-poor.

Despite the fact that the sample had more employment stability than has been found in earlier studies of similar populations, nearly 40 percent of the women who were working had no fringe benefits at all, and under half reported that they had employer-provided health insurance. Even for those women who had high employment stability, most held jobs that either paid wages that would put them below 185 percent of the poverty threshold or that provided no health benefits.

In addition to how much women earn, when they earn it can also affect the families they are trying to support (as can the amount of time it takes them to commute to work). About one-third of the working women in the sample worked an evening or night shift or had irregular schedules. Ethnographic data shed light on how these nonstandard shifts might impinge on family life, although such schedules also gave some women flexibility. Commuting time averaged only 30 minutes each way for these women, but those who drove their own car to work skewed this average. The commute was nearly twice as long for those who used public transportation as for those with cars (42 minutes versus 22 minutes, respectively, each way). Women with shorter commutes tended to have more stable employment histories.

Among those women who had worked during the prior two years but were not working at the time of the interview (a group whose characteristics are similar to those of the low-stability workers), wages at their last job had been especially low, and fringe benefits were exceedingly rare. About half of these ex-workers said that they had left their jobs involuntarily, usually because the job had simply ended, which suggests some type of seasonal employment. Among those who had left their jobs voluntarily, their reasons for leaving included inadequate wages, health problems, interpersonal problems at work, child care difficulties, and transportation problems.

Fully one-third of those who were working had been in their jobs for more than two years, and the majority had held only one job in the previous two-year period — a remarkable rate of job stability for this population. The employment stability of women in the survey pre-

sumably reflects, in part, the booming economy. With labor in relatively short supply, employers might be more reluctant to fire or lay off workers than earlier in the 1990s. (On the other hand, when jobs are more readily available, workers might be more likely to *quit* a job that they don't like.) It is also possible that the new work mandates of welfare agencies contributed to the high employment stability; that is, the women might have stayed in jobs longer because they knew that they would have to meet participation and work requirements if they quit.

Although most workers in the survey had held only one job, a substantial minority (38 percent) has worked at two or more jobs during the two-year period. Although women tended to move between jobs quite quickly, nearly a fifth had experienced a lengthy spell — six months or more — of nonemployment between their prior and current jobs. As women moved from job to job, they generally saw only moderate wage growth, and some — especially those with the least prior work experience — even saw their wages drop.

Strikingly, even women with the highest level of employment stability were often earning wages that put them near or below the poverty line, and some (about a quarter) even earned wages low enough to continue to receive cash welfare. Although women in the high-stability group were, on average, much better off financially than women with less continuous employment, most continued to have lives of great material disadvantage. For example, women with high employment stability reported lower rates of hunger or food insecurity than those who worked less, yet fully 40 percent of them suffered food hardships. In addition, about one in five women with high employment stability reported that they either paid more than half their income for rent or lived in severely inadequate housing. Thus, working hard and steadily did not usually give these mothers the life improvements that the ethnographic data show they expected.

What characteristics distinguished workers with strong employment records from workers who had been less stably employed? As one would expect, those who showed the most employment stability were women with the most advantaged backgrounds and circumstances: They had fewer children overall, fewer young children, more education, and a greater likelihood of living with a husband, partner, or other adult who brought resources into the household. Women with higher employment stability were also much more likely to live in households where there was a car, although, even in this group, nearly half did not have one.

Women who had been employed steadily were also less likely than others to report family health problems. Even so, however, one in eight of these high-stability workers said that their work was affected by a child's illness. And while women with the best employment records were healthier themselves than other women, more than one in ten said that they had a health problem that limited the type or amount of work they could do. The ethnographic data provide rich accounts of how difficult working can be in the context of family health problems, and this can be exacerbated by having jobs that do not offer paid sick days, paid vacation days, or health insurance.

Although drug use was reported to be rare across all employment stability groups, stress and depression were not: Almost half the women were at risk of depression (ranging from 41 percent of high-stability workers to 50 percent of low-stability workers), as were 55 percent of women no longer employed. The ethnographic data suggest — and this is supported in the literature — that there are likely to be reciprocal effects of depression and employment. That is, lack of employment (and the associated financial disadvantages) can lead to poor self-esteem and de-

pression, but women who suffer depression may have difficulties entering and succeeding in the labor market.

Substantial minorities of women in all employment stability groups reported child care difficulties. For example, about a third of the currently employed women in each of the employment stability groups reported that finding someone trustworthy to care for their children was difficult. Women who no longer worked were especially likely to mention child care problems, and many mentioned this as their reason for leaving their job.

Taken together, these challenges to stable employment were alarmingly common across groups; 84 percent of the most steadily employed workers reported at least one barrier, as did 95 percent of the women previously employed. Consistent with a growing number of studies, the data also show that many women faced multiple challenges to stable employment. Many of the ethnographic participants illustrate how cooccurring (and often severe) problems can make it a daunting experience to combine work and parenting responsibilities.

It should be noted that, despite the prevalence of multiple barriers to employment among the working women in the sample, they faced far fewer barriers than women in the overall Urban Change sample who had not worked at all in the two years before the interview. Women who had not worked — almost all of whom were still on welfare — were far less healthy, had less healthy children (and had more children), and were much less likely to have a high school diploma than women who had entered the workforce. The challenges that these women face in securing stable employment will likely be greater, and they are likely to have even greater difficulty competing for jobs that pay enough to lift their families out of poverty, than the working women described in this report.

The authors of PROWRA crafted the legislation to provide some temporary safety net supports for women who leave welfare for employment. This study's sample is not restricted to very recent welfare leavers, and thus some women's eligibility for safety net services may have simply lapsed (for example, they left welfare too long ago to remain eligible for transitional Medicaid) or the assets that they had accrued in the intervening years (such as a car) made them ineligible for other benefits, such as food stamps. Even so, three-quarters of women who were working had household incomes low enough to qualify for food stamps, but only about two-thirds of those who were income-eligible reported receiving them. Further, the women with the highest employment stability were the most likely to be eligible for food stamps without receiving them and the most likely to be food insecure and not receiving food stamps.

The survey also found that women in the high-stability group had as much difficulty securing health insurance as those with lower employment stability, who were more likely to still be getting Medicaid (and cash assistance). For these high-stability workers, increased access to employer-provided health insurance did not make up for their loss of Medicaid. Dion and Pavetti (2000) have suggested that declines in welfare caseloads have led to declines in Medicaid caseloads, because potential beneficiaries who don't also receive cash welfare have more difficulty accessing the Medicaid program.

There was not a strong association between employment stability and the receipt of housing or energy assistance. Overall, about a third received some sort of housing subsidy, and just over a fifth reported getting help with their gas or electric bill. The likelihood of getting a child care subsidy also did not vary dramatically across employment stability groups: Only a minority

in all groups reported having financial assistance for child care. (The ethnographic data offer several potential explanations for why receipt of child care subsidies may be so rare.) The women in the sample generally either relied on free care from a relative or friend or paid a considerable portion of their earnings for child care — about $175 per month, on average.

In sum, the portrait presented here offers both good and bad news. The good news is that a very vulnerable segment of America's population is demonstrating work behavior that indicates a willingness to play by the new welfare rules. These women were working in large numbers, tended to work full time, and tended to stay at their job even though wages were generally low and benefits were not always offered. Most strikingly, these mothers seemed to persevere in the world of work despite the fact that the overwhelming majority reported barriers to stable employment.

However, the bad news is that most of these hardworking women continued to struggle financially. Although women who were working were better off financially than those who were not, most earned wages that left them and their children in, or near, poverty. Many were working nonstandard hours. Few were getting the kinds of fringe benefits from their employer that most American workers both rely on and expect, such as health benefits and the right to take a day off with pay to see a doctor about a pressing health need. Far fewer workers reported getting food stamps than appeared to be eligible. And a considerable number of these workers experienced hunger or food insecurity, had worst-case housing needs, continued to live in and raise their children in dangerous urban neighborhoods, and had unmet health needs.

Thus, many of those who are playing by the rules appear to be losing ground. Their incomes are usually higher than would have been the case had they remained on welfare, but their expenses are higher as well. Many have lost valuable supports that they had as welfare recipients — most importantly, their health insurance. And work takes up time that could be devoted to parenting, which is especially worrisome to the mothers of children who are sick or have special needs, who are overrepresented in these families.

Although the government has developed a number of important policies to address the needs of the working poor, the data from this study suggest that more needs to be done to "make work pay." A number of policy options are possible, including changes in the minimum wage, expansion of the state-level Earned Income Tax Credit (EITC), and so on. Consideration also needs to be given to developing policies to support workers in the face of an economic recession. For example, it is often difficult to pass the various tests that make a person eligible for unemployment insurance (UI), and so the UI system might merit scrutiny with this population in mind.

Developing mechanisms to ensure that women have health care coverage when they leave welfare for work appears to be a particularly critical public policy challenge. There are many ways to accomplish this, including incentives to employers, state-funded insurance programs, Medicaid buy-ins, and further expansions of Medicaid eligibility. It is laudable that recent initiatives (which took hold after the Urban Change survey) have made large numbers of low-income children eligible for health insurance through Medicaid expansions and the Children's Health Insurance Program. However, the disparity in health care policies for low-income women and low-income children merits scrutiny. Some states have begun to address this problem, but more progress is needed.

Food stamp policies and procedures also merit scrutiny, although the new U.S. Department of Agriculture (USDA) guidelines that became effective in 2001 (*Federal Register,* 2000) will presumably make it easier for working parents to qualify for this important benefit (for example, states can now use their PRWORA vehicle rules for cash welfare to determine eligibility for food stamps, if those rules are more liberal than USDA standards). State and local welfare agencies are also changing their procedures with regard to the recertification process (Quint and Widom, 2001), but the ethnographic data suggest that problems still remain.

Data from this and other studies suggest that merely implementing policies is not enough to ensure that women who leave welfare for work get the supports they need. There also need to be efforts to communicate information about what supports are available and how to access them. The ethnographic data demonstrate that there is often confusion about eligibility for various programs — on the part of clients and, sometimes, caseworkers.

Additionally, programs that are designed to benefit the working poor should be easy and convenient to access (for example, by extending office hours and by making income reporting requirements less onerous); moreover, programs for the working poor should strive to avoid stigma and embarrassment. The great success of the EITC may lie in the fact that it is not burdensome and can be accessed in privacy; it might serve as a model for the delivery of other supports.

Appendix A

# Key Measures, by Site

**The Project on Devolution and Urban Change**

**Table A.1**

**Key Employment Outcomes of Currently Employed Women, by Site**

| | All Currently Employed Women | Cleveland | Los Angeles | Miami | Philadelphia |
|---|---|---|---|---|---|
| Works 35+ hours (%) | 61.7 *** | 69.3 | 56.1 | 60.6 | 59.6 |
| Works 35+ hours in same job, 12+ months (%) | 36.6 | 39.0 | 33.5 | 37.8 | 35.3 |
| Average hourly wage[a] ($) | 7.63 *** | 7.77 | 7.79 | 7.09 | 7.91 |
| Hourly wage > $7.50 per hour (%) | 40.9 *** | 42.5 | 41.7 | 33.0 | 47.3 |
| Hourly wage = $5.15 per hour (%) | 13.2 ** | 9.1 | 14.1 | 17.2 | 12.5 |
| Average weekly earnings ($) | 270.5 *** | 288.7 | 263.3 | 251.1 | 278.4 |
| Fringe benefits (%) | | | | | |
| Sick days with pay | 43.7 *** | 47.2 | 37.0 | 38.1 | 52.0 |
| Paid vacations | 52.9 *** | 59.5 | 50.4 | 45.4 | 55.7 |
| Medical benefits for respondents | 45.0 *** | 50.7 | 37.4 | 38.2 | 53.0 |
| Medical benefits for children | 34.8 *** | 43.5 | 30.3 | 24.7 | 40.1 |
| Training/tuition reimbursemen | 23.9 *** | 29.9 | 16.0 | 17.6 | 31.5 |
| None of these fringe benefits | 39.1 *** | 33.4 | 43.4 | 45.3 | 35.1 |
| Works regular day shift (%) | 68.0 | 65.5 | 71.5 | 71.4 | 64.2 |
| Uses public transportation to get to work (%) | 33.2 *** | 31.0 | 25.9 | 25.2 | 52.1 |
| Drives own car to work (%) | 40.5 *** | 43.8 | 45.6 | 50.6 | 20.4 |
| Average number of minutes to commute to wor | 29.1 *** | 26.4 | 29.5 | 27.1 | 34.2 |
| Sample size | 1,951 | 532 | 452 | 511 | 456 |

SOURCE: MDRC calculations from the Urban Change Respondent Survey.

NOTES: Calculations for this table used data for all sample members in the 1998-1999 Urban Change Respondent Survey who were employed at the time of the interview. The sample sizes for individual outcomes may fall short of the reported sample sizes because of missing or unusable items from some interviews.

Rounding may cause slight discrepancies in sums and differences.

The numbers shown are not statistically adjusted. An analysis of variance and chi-squared tests was applied to test the significance of site differences. Statistically significant levels are indicated as *(0.05), **(0.0), or ***(.001).

[a]Some respondents (N = 14) were paid per job/piece.

The Project on Devolution and Urban Change

**Table A.2**

**Characteristics and Life Circumstances of Currently Employed Women, by Site**

| | All Currently Employed Women | Cleveland | Los Angeles | Miami | Philadelphia |
|---|---|---|---|---|---|
| Currently receiving welfare (%) | 32.6 *** | 28.8 | 49.6 | 22.4 | 31.6 |
| Left welfare within the year before the interview (%) | 15.3 * | 18.1 | 11.3 | 14.1 | 17.3 |
| Left welfare more than a year before the interview (%) | 46.9 *** | 49.7 | 34.7 | 53.1 | 48.9 |
| Never received cash welfare (%) | 5.2 *** | 3.4 | 4.4 | 10.4 | 2.2 |
| Total household income below official federal poverty line (%) | 47.0 *** | 41.9 | 42.9 | 53.9 | 49.5 |
| Total household income below 185% of federal poverty line (%) | 85.5 | 83.0 | 85.2 | 88.6 | 85.2 |
| Does not have diploma or GED (%) | 37.1 ** | 36.8 | 43.6 | 35.6 | 32.7 |
| Has a GED or high school diploma (%) | 39.5 ** | 36.4 | 35.3 | 41.5 | 45.0 |
| Has some college credit (%) | 23.4 | 26.8 | 21.0 | 23.0 | 22.4 |
| African-American (%) | 68.1 *** | 78.9 | 49.9 | 64.5 | 77.4 |
| White, not Hispanic (%) | 5.6 *** | 12.5 | 2.0 | 2.0 | 5.5 |
| Hispanic (%) | 24.7 *** | 7.7 | 45.5 | 32.4 | 15.1 |
| Other (%) | 1.6 | 0.9 | 2.7 | 1.2 | 2.0 |
| Not a U.S. citizen (%) | 10.3 *** | 0.0 | 21.3 | 20.0 | 0.7 |
| Has a language barrie (%) | 7.4 *** | 1.7 | 14.4 | 12.5 | 1.3 |
| Never married (%) | 59.1 *** | 60.7 | 53.9 | 52.4 | 70.0 |
| More than 3 of own children in household (%) | 15.1 | 14.5 | 15.7 | 17.6 | 12.5 |
| Average age of youngest child | 6.9 | 7.0 | 7.2 | 6.4 | 7.2 |
| Child under age 6 in household (%) | 45.7 | 45.8 | 44.5 | 47.0 | 45.4 |
| No one in household owns a vehicle (%) | 50.5 *** | 47.8 | 42.4 | 44.1 | 69.0 |
| In fair or poor health (%) | 18.4 ** | 18.6 | 23.4 | 13.4 | 18.5 |
| Average number of challenges to employmen [a] (out of 13) (%) | 2.1 * | 2.2 | 2.3 | 2.1 | 2.0 |
| None | 13.6 * | 13.8 | 10.5 | 12.8 | 17.6 |
| One | 24.2 | 24.5 | 21.3 | 25.5 | 25.3 |
| Two to three | 43.0 | 40.4 | 45.6 | 43.2 | 43.2 |
| Four to five | 17.0 ** | 18.5 | 20.5 | 17.2 | 11.5 |
| Six or more | 2.1 | 2.8 | 2.1 | 1.3 | 2.3 |
| Sample size | 1,951 | 532 | 452 | 511 | 456 |

(continued)

**Table A.2 (continued)**

SOURCE: MDRC calculations from the Urban Change Respondent Survey.

NOTES: Calculations for this table used data for all sample members in the 1998-1999 Urban Change Respondent Survey who were employed at the time of the interview. The sample sizes for individual outcomes may fall short of the reported sample sizes because of missing or unusable items from some interviews.

Rounding may cause slight discrepancies in sums and differences.

The numbers shown are not statistically adjusted. An analysis of variance and chi-squared tests was applied to test the significance of site differences. Statistically significant levels are indicated as *(0.05), **(0.0), or ***(.001).

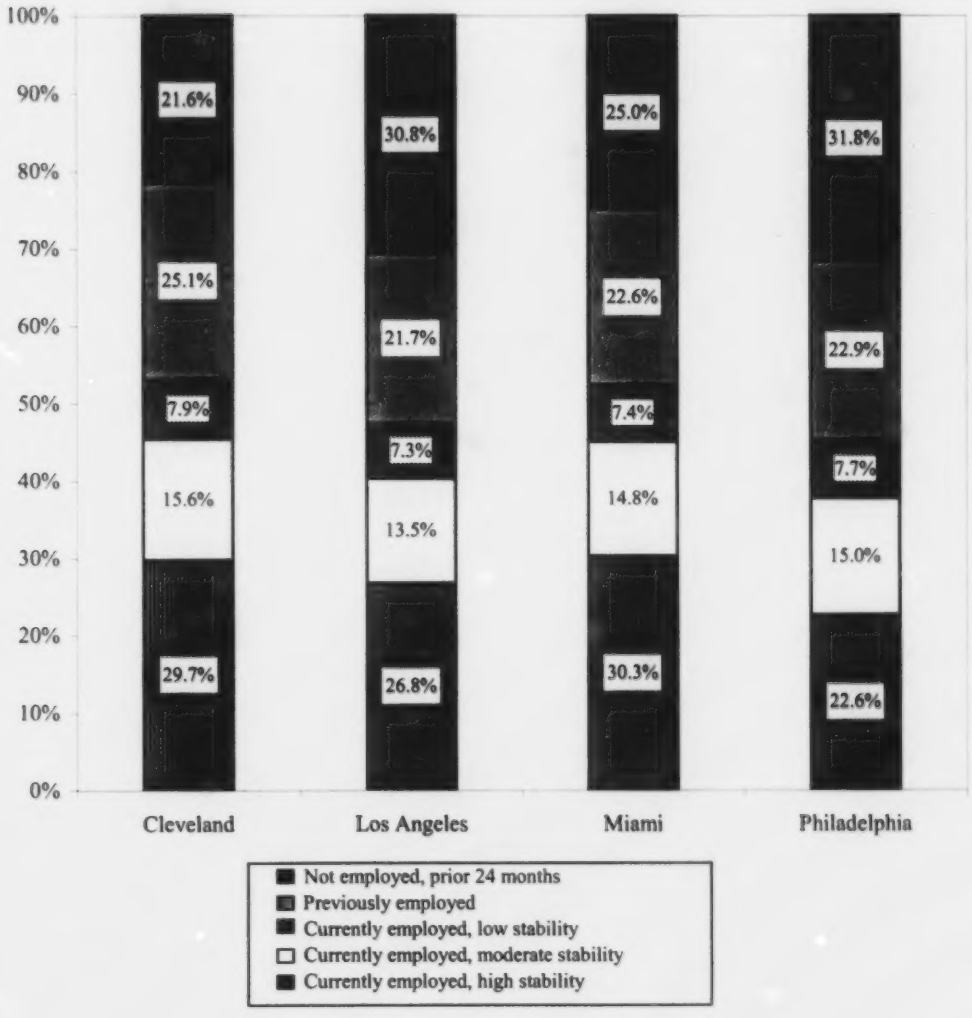
[a]The 13 challenges that were counted included: score of less than 40 on the physical component of the Short Form 12 Health Survey (SF-12), at moderate or high risk of depression, had more than five doctor visits in the past 12 months, morbidly obese (body mass index [BMI] greater than 40), homeless or sheltered in prior year, physically abused in past 12 months, use of a hard drug in prior month, has 1+ child with an illness/disability affecting ability to work, no high school diploma or GED, unable to converse in English, has three or more children, and has a child under age 3.

[b]Interviewers asked respondents whether they preferred to conduct the interview in English, Spanish, or Creole. Those who preferred Spanish or Creole were later asked, "How well do you carry on a conversation in English?" and those who chose "some," "a little," or "not at all" were coded as having a language barrier.

**The Project on Devolution and Urban Change**

**Figure A.1**

**Employment Status and Stability, by Site**




(continued)

**Figure A.1 (continued)**

SOURCE: MDRC calculations from the Urban Change Respondent Survey.

NOTE: Calculations for this table used data for all sample members in the 1998-1999 Urban Change Respondent Survey who had worked in the 24 months prior to interview. The sample sizes for individual outcomes may fall short of the reported sample sizes because of missing or unusable items from some interviews.

Rounding may cause slight discrepancies in sums and differences.

The numbers shown are not statistically adjusted. An analysis of variance and chi-square tests was applied to test the significance of group differences. Statistically significant levels are indicated as *(0.05), **(0.01), or ***(.001).

[a]Women in the Urban Change sample were categorized into one of the five groups based on their self-reported work status at the time of the interview and employment history over the previous 24 months. Low stability was defined as paid employment in fewer than 7 of the previous 24 months (less than 25 percent of the sample); moderate stability, as 7-18 months (25 percent to 75 percent); and high stability, as 19-24 months (more than 75 percent). Previously employed women had worked in the two years prior to the interview but were not working when interviewed.

Appendix B

# Employment Status and Stability in the Urban Change Survey Sample

**The Project on Devolution and Urban Change**

**Table B.1**

**Distribution of the Urban Change Survey Sample, by Employment Status and Stability[a]**

| | Percentage of the Total Sample | Percentage of Those Who Ever Worked in Past 24 Months | Percentage of the Currently Employed |
|---|---|---|---|
| Ever worked in past 24 months | 72.7 | 100.0 | n/a |
| Employed in past 2 years, not currentl | 23.1 | 31.8 | n/a |
| Currently employed | 49.6 | 68.2 | 100.0 |
| Currently employed, high stabilit | 27.3 | 37.6 | 55.1 |
| Currently employed, moderate stabilit | 14.7 | 20.2 | 29.7 |
| Currently employed, low stabilit | 7.6 | 10.4 | 15.2 |
| Sample size | 3,933 | 2,860 | 1,951 |

SOURCE: MDRC calculations from the Urban Change Respondent Survey.

NOTES: Calculations for this table used data for all sample members in the 1998-1999 Urban Change Respondent Survey who provided employment stability information. The sample sizes for individual outcomes may fall short of the reported sample sizes because of missing or unusable items from some interviews.

Rounding may cause slight discrepancies in sums and differences.

The numbers shown are not statistically adjusted. An analysis of variance and chi-squared tests was applied to test the significance of group differences. Statistically significant levels are indicated as *(0.05), **(0.0), or ***(.001).

[a]Women in the Urban Change sample were categorized into one of the five groups, based on their self-reported work status at the time of the interview and employment history over the previous 24 months. Low stability was defined as paid employment in fewer than 7 of the previous 24 months (less than 25 percent of the sample); moderate stability, as 7-18 months (25 percent to 75 percent); and high stability, as 19-24 months (more than 75 percent). Previously employed women had worked in the two years prior to the interview but were not working when interviewed.

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